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# Overview

The Advance Colorado Broadband Capital Projects Fund (Advance-CPF) Grant Program is a competitive grant program administered by the Colorado Broadband Office (CBO) housed within the Governor's Office of Information Technology (OIT). The Advance-CPF Grant Program is designed to fund broadband infrastructure projects for unserved and underserved locations throughout Colorado.

On June 2, 2022, Governor Jared Polis signed Executive Order D2022 023<sup>1</sup>, outlining goals and expectations of the American Rescue Plan Act (ARPA) and Infrastructure Investment and Jobs Act (IIJA) "...to ensure all Coloradoans have access to robust and scalable broadband infrastructure." In addition, the Executive Order also states that access is not enough but that the state "further expand and coordinate broadband activities." As a result, this document adheres to the stated goals and objectives including affordable connectivity and coordination.

The Executive Order lays out four goals for the Colorado Broadband Roadmap to achieve by 2027<sup>2</sup>. The Advance-CPF program is expected to help achieve these in conjunction with other state and federal funding.

- 1. Goal One: Bolster economic opportunity by connecting 99% of residents, particularly those in rural communities, to high-speed internet by 2027.
- 2. Goal Two: Expand digital inclusion and adoption to achieve affordability, access, and digital literacy by 25% by 2027.
- 3. Goal Three: Enable Colorado to thrive by fostering and supporting a digital economy by 2027.
- 4. Goal Four: Strengthen resilience across Colorado communities through broadband by 2027.

Also contained in Executive Order D2022 023 are the following priority areas. Grant applications for the Advance-CPF should address these priority areas and agencies. More detail about program implications and implementation can be found later in the Grant Program Guidelines.

- K-12 Distance Learning
- Libraries
- Improving Colorado Tourism
- Providing Internet Connectivity in State Parks
- Supporting Telemedicine
- Programs in State Prisons
- Federally Recognized Tribes
- Challenges faced by rural communities
- Digital equity

The Advance-CPF Grant Program is based on the American Rescue Plan Act (ARPA) Capital Projects Funds (CPF) and follows US Treasury ARPA CPF Guidelines in defining Eligible locations as households, businesses,

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<sup>&</sup>lt;sup>1</sup> Executive Order D 2022 023

<sup>&</sup>lt;sup>2</sup> Colorado Broadband Roadmap



educational institutions, healthcare facilities, community anchor institutions, recreational destinations, and agricultural operations without deployed internet access services providing reliable, wireline transmission speeds of at least 100 Mbps download and 20 Mbps upload (100/20 Mbps). <sup>3</sup>

# Colorado Broadband Office's - Capital Projects Fund Expected Timeline

February - May 2022: Capital Project Fund Listening Tour

June 15 - July 28, 2022: Letter of Intent to US Treasury Solicitation

Spring 2023: Open Grant Window Summer 2023: Close Grant Window Fall 2023: Grant Awards announced

Winter 2024: Subgrantee contracts executed

2023-2026: Sub-Awardee Compliance and Monitoring December

December 31, 2026: Advance-CPF completion

# **Program Information**

The State of Colorado has allocated approximately \$162 million of ARPA CPF for broadband grant funding through the Advance-CPF Grant Program.

For the purposes of this Program, the CBO defines Unserved locations as those lacking access to 25/3 Mbps reliable, wireline service and prioritizes those Unserved locations lacking access to any terrestrial 25/3 Mbps service (including wireless and Digital Subscriber Line) and defines Underserved locations as those with access to 25/3 Mbps reliable, wireline service, but without access to 100/20 Mbps or faster reliable, wireline service.

All infrastructure funded by ARPA CPF and the Advance-CPF Program must be capable of providing symmetrical 100 Mbps service. If funded infrastructure is not initially capable of symmetrical 100 Mbps service, due to geography, topography, or excessive cost, it must be initially capable of 100/20 Mbps service and Applicants must demonstrate a clear, well-defined path and timeline to providing symmetrical 100 Mbps service.

The Advance-CPF Grant Program plans to prioritize investments in last-mile fiber-optic infrastructure where feasible, as such advanced technology better supports future needs. However, the program will consider both wireline and fixed wireless technologies, with a preference for projects that can deliver or enable symmetrical 100 Mbps service or better. Fixed wireless applications will only be considered if the Applicant can demonstrate reliable and consistent quality of service to all Eligible locations included in the application.

Applicants must provide an explanation as to those service limitations per guidelines prescribed by the federal government program funding this grant program, the U.S. Treasury's Capital Projects Fund (CPF) Program. The Advance-CPF Grant Program will not fund any proposed satellite technology solutions.

The CBO aims to target CPF funds primarily towards highly unserved and low adoption areas of the State. Later, the significantly larger BEAD funds will be targeted to fill in the remaining areas of the State with broadband access. The BEAD grant program is not anticipated to be tiered, and under the program statute includes a 25% Matching Funds requirement for all grants. Applicants may apply for both CPF and BEAD funds. CPF and BEAD funds can be "braided" to successfully address specific community needs for broadband.

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<sup>&</sup>lt;sup>3</sup> <u>U.S. Department of the Treasury, Guidance for the Coronavirus Capital Projects Fund for States, Territories & Freely Associated States</u>



# Important Links and Guides

The Advance-CPF Grant Program is governed under state and federal rules and statutes. All reporting must be done in accordance with U.S. Treasury's Capital Fund Project Guidelines. The Colorado Broadband Office recommends reviewing the documents before beginning an application.

#### Colorado Links

Colorado Broadband Office Advance-CPF Grant Application

Colorado Broadband Office Advance-CPF Eligible Location List

Colorado Department of Transportation Fiber Map and Information on fiber leases

<u>CDOT ROW Unsolicited Proposal Template</u> (download)

Colorado Broadband Roadmap

Colorado State Demography Office

Colorado Secretary of State Vendor Self Service Page

Colorado Secretary of State Certificate of Good Standing

#### Federal Links

U.S. Department of the Treasury, Guidance for the Coronavirus Capital Projects Fund for States, Territories & Freely Associates States

U.S. Department of the Treasury, Capital Project Fund Project and Expenditure Report User Guide

U.S Department of the Treasury, Coronavirus Capital Project Funds FAQ FINAL

U.S. Department of the Treasury, Coronavirus State and Local Fiscal Recovery Funds Final Rule

U.S. Department of the Treasury, State and Local Fiscal Recovery Funds Compliance and Reporting Guidance

# Eligible Applicants

Eligible Applicants include private entities, municipal governments, county governments, tribal governments, co-operatives, multiparty entities comprised of a combination of public entity members or private entity members including public private partnerships.

The CBO encourages all qualified entities to submit applications provided there are no conflicts of interest.

Projects proposed by Eligible Applicants are subject to review, remediation and possible approval, denial, or modification.

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# Private, For Profit

Private, for-profit Eligible Applicants must have the following to apply:

- A current Certificate of Good Standing from the Colorado Secretary of State.
- No prior default or significant violations under any federal, state, or local broadband expansion funding program.
- No suspension or debarment as a vendor by the State of Colorado or any Federal agency within three (3) years prior to filing an application with the CBO for program funding.

#### **Local Governments**

All local governments are eligible to participate in the Advance-CPF Grant Program. If the local government is also acting as a network operator, the CBO expects Applicants to have the appropriate financial, technical, and operational wherewithal to operate broadband networks on a long-term, sustainable basis.

## Partnership Applications

Applicants can be partnerships between private entities, public entities, or public private partnerships. Partnerships should be clearly described in the Applicants' Project Narrative including detailing the roles and responsibilities of each partner.

A single geographic area participating in the program may not receive funding as part of overlapping local efforts. If a county and a municipality within that county both wish to participate in a project covering the municipality, the municipality may be asked to join with the county effort. In a similar way, counties and municipalities may be asked to join with a regional effort if one exists and is seeking to participate in the program. Overlaps between applications from public Applicants and applications from private Applicants may need to be remediated.

# Affordable Connectivity Program

All awardees must participate in the FCC's Affordable Connectivity Program (ACP). In addition to basic ACP participation, applications with affordability programs providing broadband service that is fully subsidized to ACP eligible households will earn additional points.

# Compliance with Applicable Laws

As a federal grant program, all awards are subject to applicable federal and state laws, regulations, rules, and guidance. Participation is conditioned upon awardees entering into a Grant Agreement with the State, and continued contract performance entails Awardees continuing to adhere to the legal requirements associated with the program, including accounting, reporting, record-keeping, and audits.

# Eligible Locations and Projects

Eligible locations for the Advance-CPF Grant Program are defined by the U.S. Treasury's Capital Projects Fund (CPF) Program and the enabling legislation. Eligible locations under the Advance-CPF Grant Program are those not currently served by a reliable, wireline connection that delivers at least 100 Mbps of download speed and 20 Mbps of upload speed. Reliable wireline service does not include legacy technologies such as copper telephone lines (typically using Digital Subscriber Line technology) or early versions of cable system

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technology (DOCSIS 2.0 or earlier).<sup>4</sup> Unserved locations can include households, businesses, educational institutions, healthcare facilities, community anchor institutions, recreational destinations, and agricultural operations.

Locations that have existing enforceable federal or state funding commitments for reliable, wireline service at speeds of at least 100 Mbps of download speed and 20 Mbps of upload speed are not eligible for this Program. For example, locations with an FCC Rural Digital Opportunity Fund (RDOF) award for 1000/500 Mbps fiber to the home service are not eligible for the Advance-CPF Program. Locations with an RDOF award for fixed wireless service may be Eligible provided they have no other reliable, wireline broadband service reported at the time of Program development.

In accordance with U.S. Treasury guidance, projects must meet all of the following criteria:

- The project invests in capital assets designed to directly enable work, education, and health monitoring;
- The project is designed to address a critical need that resulted from or was apparent or exacerbated by the COVID-19 public health emergency; and,
- The project is designed to address a critical need of the community to be served by it.

Applicants should be aware of these project conditions and are strongly encouraged to emphasize in their application materials how their project meets each of these criteria.

# Classifications of eligible locations for the Advance-CPF Program

Locations currently lacking access to any terrestrial internet access service at speeds of at least 25 Mbps of download speed and 3 Mbps of upload speed, including licensed or unlicensed fixed wireless, will be prioritized. Service availability of satellite service, whether geostationary or non-geostationary, and mobile coverage are not factors in location eligibility.

- Eligible Unserved: locations currently lacking access to any terrestrial service providing 25 Mbps of download speed and 3 Mbps of upload speed.
- Eligible Underserved: locations with service of 25/3 and above from any terrestrial provider, but lacking any reliable wireline broadband service.
- Ineligible Served: locations thought to be served by reliable, wireline service of at least 100 Mbps of download speed and 20 Mbps of upload speed.
- Ineligible Funded: locations that have an enforceable state or federal funding commitment for reliable, wireline broadband infrastructure capable of delivering at least 100/20 Mbps service.

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<sup>&</sup>lt;sup>4</sup> <u>U.S. Department of the Treasury, Guidance for the Coronavirus Capital Projects Fund for States, Territories & Freely Associates State</u> (page 5)



 Ineligible locations may be "passed" with funded infrastructure to reach Eligible locations, but no grant funding will be made available to connect or provide service to Ineligible locations.

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Applications will be scored based on the percentage of Unserved locations included in the proposed project. See the Application Information, Program Workbook, and Advance-CPF scoring criteria and scoring matrix below for more details.

The Advance-CPF Grant Program will consider applications containing middle mile fiber only where Applicants also propose last mile network infrastructure. Applications including sections of middle mile fiber must demonstrate that the middle mile network segments are necessary to facilitate last mile connections to Unserved and Underserved locations.

# Infrastructure Types

The ARPA CPF Guidelines strongly encourage the funding of fiber to the premise networks. ARPA CPF Guidelines mandate that all funded infrastructure be capable of providing symmetrical 100 Mbps service, and if for any reason funded infrastructure is not initially capable of providing symmetrical 100 Mbps service, it must initially provide 100/20 Mbps service and have a clear, credible, and well-defined path to scale to symmetrical 100 Mbps service, including a timeline for symmetrical 100 Mbps service availability.

- Applicants proposing fiber to the premises will be prioritized in the scoring process.
- Applicants proposing hybrid fiber coax DOCSIS networks must demonstrate at least 100/20 Mbps services as well as a detailed plan, including timeline, to upgrade to symmetrical 100 Mbps service.
- Applicants proposing fixed wireless service must clearly demonstrate that all Eligible locations contained in their application will initially have the signal strength to receive 100/20 Mbps service.
   A detailed plan to upgrade the wireless network such that all Eligible locations contained in the application will have access to 100 Mbps symmetrical service, including a timeline for symmetrical 100 Mbps service availability, must be included in all applications proposing fixed wireless technology.

# Ineligible Infrastructure Types

The CBO will not fund any infrastructure that is unable to provide 100/20 Mbps and does not have a scalable path to providing symmetrical 100 Mbps service, nor will the Advance-CPF Grant Program fund any satellite or mobile services.

# Challenge Process

Entities eligible to submit challenges into the Advance-CPF Grant Program include internet service providers, local governments, and tribal entities. While individual consumers are not permitted to submit challenges to the Advance-CPF Grant Program, they are encouraged to submit challenges directly to the Federal Communications Commissions (FCC) Broadband Data Collection (BDC) program using the FCC's National Broadband Map.<sup>5</sup>

Applicants will be notified of CBO's Advance-CPF Grant Program award decisions when such decisions are rendered and published to the CBO website. Upon publication of Advance-CPF Grant Program award decisions, the Challenge Process will immediately commence.

Upon publication of Advance-CPF Grant Program award decisions, polygons of proposed funded service areas will be published, and eligible entities will have ten (10) business days to submit challenges. Challenges must

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<sup>&</sup>lt;sup>5</sup> FCC Broadband Map



be submitted to the CBO in substantially the same format as Broadband Availability challenges submitted into the FCC's BDC challenge portal: they must be challenges to individual locations within the published polygons. No challenges will be accepted after the ten (10) business day window has closed.<sup>6</sup>

It is important to note eligibility for the Advance-CPF Program is dictated by the American Rescue Plan Act (ARPA) and the US Treasury Guidelines for the Capital Projects Fund. Eligible locations include those that do not currently have access to reliable, wireline broadband service of at least 100 Mbps download and 20 Mbps upload.

For challenges to be successful, challengers must demonstrate that challenged locations have reliable, wireline infrastructure in place that can provide broadband service capable of 100 Mbps download and 20 Mbps upload. For the CPF and the Advance-CPF Grant Program, reliable, wireline service does not include legacy technologies such as copper telephone lines (typically using Digital Subscriber Line technology) or early versions of cable system technology (DOCSIS 2.0 or earlier).

ISPs may submit challenges claiming plans to install broadband infrastructure to Eligible locations within the next 12 months. ISPs must provide evidence supporting this claim such as existing agreements to construct infrastructure that would provide reliable, wireline service of no less than symmetrical 100 Mbps, or evidence that construction has started. Claims of plans to deploy broadband infrastructure must clearly and conclusively prove the claimed deployment plans, and these challenges must include a written commitment on company letterhead, signed by a person with the authority to legally bind the challenger to provide broadband service of symmetrical 100 Mbps to the locations in question. Demonstration that such areas will be built out will cause affected locations to be reclassified as Ineligible - Funded.

# **Appeals Process**

Applicants will be notified by email of CBO's Advance-CPF Grant Program award decisions when such decisions are rendered and published to the CBO website. Upon publication of Advance-CPF Grant Program award decisions, the Appeals Process will immediately commence.

An Appellant must be an Applicant for an Advance-CPF broadband grant who has been denied a grant award, due to CBO's determination that an application does not meet minimum requirements or upon the CBO's decision not to award following review of award criteria.

Appeals must be received by CBO staff within seven (7) calendar days of awards being published on the Advance-CPF Grant Program website. Generally, appeals will only review information submitted in the original application.

Appeals will be heard by the Executive Director of the CBO, or their designee, and CBO staff. Denied Applicants will have the opportunity to file an appeal brief, and to appear at a hearing during the appeals process.

See the CBO Advance Colorado Federal Broadband Grant Appeal policy located <u>here</u> for more information on appeals.

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<sup>&</sup>lt;sup>6</sup> Senate Bill 1822, 116th Congress, Broadband DATA Act

<sup>&</sup>lt;sup>7</sup> <u>U.S. Department of the Treasury, Guidance for the Coronavirus Capital Projects Fund for States, Territories & Freely Associated State</u>



# Grant Information and Requirements

The CBO Advance-CPF Grant Program is a grant program. Applicants must apply and be awarded an Advance-CPF grant to be eligible for project costs.

The application window will begin when the program is announced with the publication of the final Advance-CPF Grant Program Guidelines. After the grant application window closes, the CBO will do an administrative review which will be followed by an evaluation period during which reviewers will conduct evaluations of the applications and score each based upon established objective scoring criteria. Once this has concluded, the CBO will make initial award announcements and finalize awards (subject to the appeals process), after which CBO will enter into Grant Agreements with Awardees.

Applicants may be asked to participate in an application remediation process prior to award. If two or more Applications are received that propose to cover overlapping project areas, at the discretion of CBO, such Applications will be afforded a remediation opportunity.

Applicants may be offered partial funding based on several factors, including, but not limited to, location eligibility, expense eligibility, and funding availability.

All applications will be scored individually, with the highest scored applications receiving priority for Advance-CPF Grant Program funding. There is no minimum or maximum limit on the geographical size of projects, however the maximum dollar amount that may be requested for a single Advance-CPF Grant Program application shall be \$20,000,000. Applicants may, however, submit more than one funding request in separate applications.

The CBO expects and intends to have all Advance-CPF funds exhausted by December 2026. This is a hard deadline for project completion, as the CBO is obligated to return all unexpended grant funds on December 31, 2026.

The period of performance for the Advance-CPF Grant Program is 24 months after execution of the Program's Grant Agreement. Extensions to Awardees' period of performance may be available, though the decision to extend is in the CBO's sole discretion and is subject to continued compliance with all legal requirements for the program and funding source.

#### **Eligible Locations**

The CBO will distribute a list and geodatabase of Eligible (and Ineligible) locations to Applicants when the Advance-CPF Grant Program application window opens. Locations will be identified by address and a unique ID number. Applicants may propose projects to deploy broadband infrastructure capable of providing or reasonably scalable to symmetrical 100 Mbps service to Eligible locations, including a timeline for symmetrical 100 Mbps service availability.

Applicants are encouraged to include all Eligible locations within a logical geographic area and not leave stranded Unserved locations, for example Eligible locations at the end of a dead-end road, or at the edge of a community. It is the goal of this Program to fund applications that provide universal broadband service within logical geographic areas.

Proposed projects must build to the serving pole (for aerial plant) or property line (for underground plant) of any Eligible location included in the project. A narrative description of Applicant's plans to connect subscriber premises, associated costs, and how they may vary with increased distance are required as part of the grant application. The costs of constructing final service drops to subscriber premises and the costs of providing and installing customer premises equipment are eligible costs and reimbursable during the

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Advance-CPF Grant Program period of performance. Final customer installations that occur after the period of performance are not reimbursable.

An application may include multiple non-contiguous proposed service areas.

## Tier I and Tier II Allocations

The CBO aims to target CPF funds primarily towards highly unserved and low adoption areas of the State. Later, the significantly larger BEAD funds will be targeted to fill in the remaining areas of the State with broadband access. The BEAD grant program is not anticipated to be tiered, and under the program statute includes a 25% Matching Funds requirement for grants. Applicants may apply for both CPF and BEAD funds. CPF and BEAD funds can be "braided" to successfully address specific community needs for broadband.

In order to implement this strategy, the CBO will allocate available CPF funds across two designated geographical areas. Colorado counties will be designated either Tier I or Tier II. These areas will be identified by the CBO and a map will be published on the CBO website. Applicants must also use this information to determine their matching funds requirement.

- Tier I will allocate roughly 75% of Advance-CPF funding, or \$121,660,567. Tier I areas of the state will require a minimum grant match of 25%.
- Tier II will allocate the remaining 25% of Advance-CPF funding, or \$40,553,522, across all counties based on the need articulated in the application. Tier II areas of the state will require a minimum grant match of 50%.

Based on input from stakeholders to the draft Guidelines, the State relaxed some criteria to include additional Tier I counties. The general metric used to determine Tier I counties are counties with 84% or lower broadband adoption rates, with additional consideration given to locations on, or adjacent to, Tribal lands.

Tier I Counties are selected by the Colorado Broadband Office (CBO) based on the following criteria:

- 1. Broadband subscription percent below 85% (American Community Survey, 2021, 5 year estimate)
- 2. Broadband Unserved (no access to 25/3) percent below 75% (FCC Broadband Data Collection June 2022)
- 3. 5 counties with highest number of unserved locations (FCC Broadband Data Collection June 2022)
- 4. Counties overlapping Tribal Lands

Waivers to the Matching Fund requirement may be made by Applicants for either Tier; in addition, in-kind contributions may be used to satisfy the Matching Funds requirement. See below for more information.

#### Matching Funds

Matching funds requirements will be determined by the proposed funded service areas' designation as either a Tier I or Tier II area. These areas will be identified by the CBO and a map will be published on the CBO website. Applicants must use this information to determine their matching funds requirement.

- Tier I areas of the state will require a minimum grant match of 25%.
- Tier II areas of the state will require a minimum grant match of 50%.

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If proposed projects fall within both Tier I and Tier II areas, Applicants must calculate project costs and match separately within the provided Program Workbook.

Local Governments, if using General funds as match, must be TABOR compliant.

No contingent matching sources are allowed, all matches must be secured prior to grant application.

Waivers to the Matching Fund requirement may be made by Applicants for either Tier. In addition, in-kind contributions may be used to satisfy the Matching Funds requirement. See below for more information.

Awardees may contribute all of their matching funds upfront on eligible expenses such as engineering and permitting, and then get reimbursed for 100% of eligible, approved expenses after expending all of their matching funds. Alternatively, Awardees can be reimbursed at regular intervals for their eligible, approved expenses minus their matching percentage.

#### In-Kind Match

In-kind contributions will be accepted as part of an Applicant's cost sharing or matching, provided that such in-kind contributions are not included as contributions for any other Federal award, are necessary and reasonable to accomplish project/program objectives, are allowable/eligible expenses, and are not paid by the Federal government under another Federal award (unless allowed by the Federal statute authorizing that program) among other requirements.<sup>8</sup>

In-kind contributions can include existing fiber (including IRU fiber), conduit, electronics, huts or other colocation facilities, land, right of way fees, other pre-existing inventory, and other facilities that directly contribute to efficient network deployment.

In-Kind contributions used as matching funds must be properly (1) itemized, (2) depreciated (3) marked-to-market (4) provided with documentation showing the value of the item.

#### County level SLFRF as Matching Funds

Non-entitlement units of government may use their Local appropriation of ARPA State and Local Fiscal Recovery Funds (SLFRF) as Advance-CPF Grant Program matching funds with consultation with CBO. All match sources must be clearly identified in the grant application.

#### Match Waiver

In evaluating requests for a waiver of the Advance-CPF Grant Program's match requirement, CBO will carefully balance the Program's various objectives. It is CBO's policy to ensure that Advance-CPF funds are used to bring affordable broadband to all Coloradans. The CBO will generally seek to minimize the Advance-CPF funding outlay to extend the Program's reach, and expects to grant waivers only in special circumstances, when a waiver is necessary to advance objectives that are critical to the Program's success. In order to be considered for a waiver, an Applicant must submit a waiver request that describes the special circumstances underlying the request and explain how a waiver would serve the public interest and advance the goals of the Advance-CPF Program. The CBO will consider factors that may make certain areas more difficult or costly to serve, such as low density, extensive make-ready costs, topography, geography, or unavoidable underground construction.

The CBO may grant waivers of the minimum matching funds requirement or allow funds not provided by the Applicant to serve as match for a proposed project. Applicants seeking a waiver must include the request

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<sup>8 2</sup> CFR 200.306(b) Federal Uniform Guidance



with the application and specifically identify and justify the reasons why it is infeasible for the Applicant to provide the match in full or in part. The Applicant must document any efforts made to obtain matching fund commitments for the project from capital funding sources. Waivers may be granted upon a determination that to do so is in the best interest of the state and furthers the program goal of expanding broadband service in Colorado, and that the proposed project would not be feasible or advisable without the requested waiver. The CBO may request additional information from Applicants requesting waivers to assist it in advising the CBO in a determination.<sup>9</sup>

The CBO retains the discretion to waive any amount of the match, including up to the full match requirement.

## Size of Project

There is no minimum or maximum limit on the geographical size of projects. The maximum dollar amount that may be requested in a single Advance-CPF Grant Program application is \$20,000,000. However, Applicants may submit more than one request in separate applications.

# Required Performance and Service Tiers

Proposed projects must be capable of offering service of at least symmetrical 100 Mbps with less than 100 ms latency and must propose to offer at least one service tier to mass-market consumers with performance meeting or exceeding 100/20 Mbps. Applicants proposing projects that cannot reliably provide upload speeds of 100 Mbps as proposed must describe how their proposed project will be scalable to a minimum of symmetrical 100 Mbps speeds and provide a timeline for the availability of a symmetrical 100 Mbps service offering. Such Applicants must also describe the reasons why it would not be practicable at the present time to deliver symmetrical 100 Mbps service through the proposed project. Where practicable, Applicants are encouraged to offer higher speed service tiers, including Gigabit service (1000 Mbps download / 1000 Mbps upload).

## Reimbursable Expenditures

Projects receiving funding may be reimbursed for actual capital expenses up to a maximum project cost identified in the award. Costs must be directly related to the upfront investment associated with installing and/or upgrading existing broadband facilities on the proposed project on a one-time, capital improvement basis.

Eligible costs are costs incurred after Advance-CPF Grant Program contract execution, with the exception of in-kind contributions and where otherwise allowed by the US Treasury. <sup>10</sup>

Eligible project activities and costs include:

- Network and access equipment costs;
- Outside plant costs;

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<sup>&</sup>lt;sup>9</sup> This Match Waiver section is roughly based on the NTIA BEAD grant program match waiver requirements and considerations.

<sup>&</sup>lt;sup>10</sup> "Treasury further clarifies that costs incurred prior to an ISP receiving an award are reimbursable to the extent that they would have been allowable if incurred after the date of the federal award or subaward (for example, if an ISP purchased fiber or other broadband equipment in advance of being awarded a subaward or contract)" <u>U.S. Department</u> of the Treasury SLFRF and CPF Supplementary Broadband Guidance.



- Reasonable make-ready and one-time pole licensing costs, excluding recurring pole attachment payments;
- ROW, leases, easements, and similar costs for access to develop infrastructure;
- Equipment shelter, land, site preparation, and site restoration costs;
- The cost-of-service drops installed and the network demarcation point (e.g., NID or ONT) during the grant program period of performance;
- Engineering and project management costs involved in designing and constructing the proposed project;
- Testing, including infrastructure testing and turn-up, as well as speed testing as required by the Capital Projects Fund Project and Expenditure Report User Guide;<sup>11</sup>
- Tower costs, including the construction of new towers (where required infrastructure does not exist) and costs involved with structural changes to existing towers;
- Other upfront costs, including any other upfront costs not covered in other categories, such as site
  preparation, permits, required licenses, sales tax applicable to new equipment purchases, shipping
  and warehousing expenses, and miscellaneous minor material;
- Long-term leases, defined as leases for a duration longer than 1 year, of facilities required to provide broadband service on the proposed project;
- Reasonable contingency fees; and
- Indirect costs at an approved Federally Negotiated Indirect Rate or 10% de minimus rate;

While allowable, due to the extensive documentation, monitoring, and compliance requirements for internal labor reimbursement, CBO strongly discourages Applicants from applying for reimbursement for salary and benefits for internal labor costs.

- If approved, internal labor costs incurred as part of eligible project activities are only reimbursable
  up to the proportion of employees' time spent exclusively on project activities during the period for
  which reimbursement is sought.
- Internal labor costs can include personnel costs including salaries and fringe benefits for staff and
  consultants required for carrying out a Capital Project (such as project managers, program directors,
  subject matter experts, equity consultants, grant administrators, financial analysts, accountants, and
  attorneys).
- When seeking reimbursement, Applicants must submit such costs as line-items and provide supporting documentation for the expense. Supporting documentation shall include:

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<sup>&</sup>lt;sup>11</sup> U.S. Department of the Treasury, Capital Project Fund Project and Expenditure Report User Guide



- o Timesheets and time spent by each employee on project activities;
- o Total time spent by each employee during the period for which reimbursement is sought; and
- An hourly cost that may include employee salary, itemized payroll taxes and benefits.

Costs that appear excessive and/or without justification and costs not considered eligible will not be reimbursed. For avoidance of doubt, CBO specifically reserves the right to condition any award approval on the removal of any costs, including the removal of labor costs.

## Non-Reimbursable Expenditures

Ineligible costs include:

- Internal administrative activities;
- Fundraising activities;
- Computers or office equipment;
- Software, such as management or accounting software;
- Vehicles;
- Equipment owned or leased by the customer, including routers and modems, and any other costs beyond the network interface point;
- Operating expenses;
- Expenses incurred prior to the date of the grant award contract execution by all parties;
- Leases of less than one year;
- Acquisition of any spectrum licenses;
- Payment of interest or principal on outstanding debt instruments, or other debt service costs;
- Fees or issuance costs associated with the issuance of new debt;
- Satisfaction of any obligation arising under or pursuant to a settlement agreement, judgment, consent decree, or judicially confirmed debt restructuring plan in a judicial, administrative, or regulatory proceeding; or
- To support or oppose collective bargaining. 12

Expenditures on ineligible costs cannot be used as any proposed match.

Projects must primarily serve Unserved and Underserved locations. Facilities that are needed to deliver last-mile broadband service to Unserved and Underserved locations and incidentally pass Ineligible locations are

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<sup>&</sup>lt;sup>12</sup> This does not affect the ability to use funds to comply with 41 C.F.R. 60-1.4



reimbursable, but expenditures solely to benefit Ineligible locations are not reimbursable. Customer drops, installations, and equipment at Ineligible locations are not eligible for reimbursement.

Costs that appear excessive and/or without justification and costs not considered eligible will not be reimbursed.

#### Selection Criteria

Using a competitive grant application process, the Advance-CPF Grant Program will utilize objective scoring criteria which shall include, at a minimum, the following:

- Applicant experience
- Technical ability
- Project feasibility
- Financial wherewithal
- Operational wherewithal
- Matching funds and in-kind contributions
- Local government support and engagement
- Estimated number of eligible locations, broken down by type of eligibility
- Percentage of Unserved households included in project
- Unserved businesses served
- Leverage of existing infrastructure
- Average cost per location (business case)
- Consumer price
- Committed partnerships/resources
- Alignment with the Colorado Broadband Roadmap and Executive Order

The above criteria is a non-exhaustive listing. Some of the above listed scoring criteria is pass/fail, others are numerically scored. Application criteria will generally be reviewed relative to other Applications in the same Advance-CPF cycle cohort.

## Application Window and Deadline

The online application portal will open on June 20, 2023, and will remain open until the application deadline of August 21, 2023, at 11:59 p.m., Mountain Daylight Savings Time. No applications will be accepted after the close of the application deadline.

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# **Application Information**

Approximately \$162 million is targeted for this funding opportunity. Actual funds awarded may be dependent on the volume of applications received, the need of proposed projects for grant support, and the requirements of the U.S. Treasury. The CBO reserves the right to reevaluate program outcomes and reallocate funds to other announced grant programs or create new programs. The CBO reserves the right to reject any or all applications made to the Program.

Applicants must submit proposals with all required information through the Colorado Broadband Office's online <u>Grant Application</u>. An Advance-CPF Grant Program Workbook will be provided for Applicants to enter certain information required for application. The Workbook can be downloaded, then filled out by Applicants and uploaded to the online application once completed. Applicants will also be provided with a Project Narrative Template. Other required information can be uploaded to or entered directly into the online application.

All applications must include the following information:

- 1. Applicant Information and Attestation
- 2. Project Narrative must include the following
  - a. Reason this grant is needed at this time
  - b. Implications, if any, on the priorities laid out in Executive Order D2022 023 and the Colorado Broadband Roadmap
    - i. K-12 Distance Learning
    - ii. Libraries
    - iii. Improving Colorado Tourism
    - iv. Providing Internet Connectivity in State Parks
    - v. Supporting Telemedicine
    - vi. Programs in State Prisons
    - vii. Federally Recognized Tribes
    - viii. Challenges faced by rural communities
    - ix. Digital equity
  - c. Timeline of project
  - d. Location(s)
  - e. Number of households, community anchor institutions, and other Eligible addresses passed
    - i. Number of Eligible Unserved locations
    - ii. Number of Eligible Underserved locations
    - iii. Number of Ineligible Served locations
    - iv. Number of Ineligible Funded

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- v. Expected number of both Eligible and Ineligible locations to be served
- f. Information about service offerings
  - i. Affordability
- g. Permitting requirements
  - i. Expected timeframe for submission for permits
- h. Pole attachment requirements
  - i. Expected timeframe for submission for pole attachments
- i. Information on Funding Sources
- j. Applicant Experience
- k. Network Technology and Equipment
- l. Description of Backhaul Infrastructure
- m. Other information detailed in the Program Narrative Template
- 3. Community Support Letter
- 4. High Level Network Design, Proposed Routes and Proposed Funded Service Areas
  - a. Maps including proposed network path layer, location points, points containing network electronics and splitters, and polygons outlining all proposed funded service areas
  - b. Identification of backhaul infrastructure and point(s) of internet connectivity
- 5. Project Financials
  - a. Capital costs
  - b. Budget and Funding Sources
  - c. Proforma Cash Flow
- 6. Proposed Services
- 7. Audited Financials
- 8. Conflict of Interest Statement
- 9. Authorization to Apply
- 10. Supporting Documentation

# 1. Applicant Information and Attestation

The Applicant must fill out the Applicant Information and Attestation form as part of the application. This includes:

Applicant's legal name and any doing business as (DBA) names.

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- Contact information for a primary point of contact for the application who is knowledgeable about the proposed project and can answer questions.
- Certification of Good Standing with the Colorado Secretary of State (local governments and eligible governmental entities may provide other documentation showing lawful formation/operation).
- Applicants will certify that they have no prior default or significant violations under any federal, state, or local broadband funding programs.
- Applicants must also attest that they have no suspension, debarment as vendor by the State of Colorado or any federal agency in the prior three years.
- A signature of an authorized individual of the organization submitting the application.

In addition to the Attestation, if the application is a partnership, please describe the partnership including what entities are involved, the lead Applicant, how the partnership is structured. Also, please include ownership of any infrastructure/leases/property/equipment or similar, operations and management, and overall organization of the partnership.

#### **Project Narrative**

Applications must include a proposed project plan and timeline with major milestones showing that the proposed project can be completed within 24 months of contracting under the Grant Agreement. It should include, at a minimum, major milestones related to engineering, pole make-ready (including timely submission of pole attachment applications), permitting (including timely submission of required permits) construction of routes, and activation of customers. The plan should include any major contingencies.

Applications for infrastructure initially capable of 100/20 Mbps service must include a project plan and timeline for their service to scale to symmetrical 100 Mbps service, including the expected date which symmetrical 100 Mbps service will be made available to subscribers.

#### Construction Timeline

Construction must be able to be completed and ready for service activation within 24 months from contract execution; this may be extended for delays outside of the control of the Awardee such as natural disasters, significantly adverse weather, supply chain delays, etc.

# Impact on Priority Areas

Applicants should describe the impact on the areas in the grant request. These should include expected impacts on connectivity, affordability, access to telehealth and educational opportunities, digital equity, and economic development. This can be described by how many CAIs, households, and businesses will be connected, and what - if any - computing devices may be available for households and at what costs. In addition, engagement with and impact on the following areas, from the Executive Order D2022 023 and the Colorado Broadband Roadmap should also be addressed.

- K-12 Distance Learning
- Libraries
- Improving Colorado Tourism

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- Providing Internet Connectivity in State Parks
- Supporting Telemedicine
- Programs in State Prisons
- Federally Recognized Tribes
- Challenges faced by rural communities
- Digital equity

#### Timeline of Project

Please describe the timeline, any supply chain issues and a plan to overcome them, work that can be done during inclement weather, and anything else that may impact the timeline of this project, knowing all funds must be expended by December 31, 2026.

#### Location(s)

Please describe the location of the project including geographic location such as county, city, Tribal area, location density, adjacent public lands, and any other information that will provide help the reviewers might need to understand the location of the project.

This section should also include topography, rock and soil types, potential need for any environmental impact statements, SHPO/THPO, archeological assessments, or other assessments that might be needed to successfully complete the project.

In addition, this section should identify any special zones or districts. Such as

- Enterprise Zones
- HUB Zones
- Opportunity Zones
- Rural Jumpstart Zones

#### Addresses Passed

This section should include the number of households, community anchor institutions, and other Eligible locations passed. It should also include the following.

- Number of Eligible Unserved locations
- Number of Eligible Underserved locations
- Number of Ineligible Served locations
- Number of Ineligible Funded locations

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#### Service Offerings

The narrative section should include information about service offerings. Applicants will be provided a table to enter their services and associated recurring and non-recurring charges. Discussion about current availability, costs, and, if known, customer satisfaction. The application should also include information about the expected results after this project is completed. These include:

- Time frame for these
- Affordability
- Non-promotional pricing and services
- Speeds
- Scalability
- Future proofness of the infrastructure

#### Permitting Requirements

Applicants should ensure to discuss any required permitting needed to complete this project. This should include a narrative about the various permitting entities, time frame for submission of the permits, length of time until permits are approved, and what, if any, permits exist. Please identify any barriers, and their impact on the project, to obtaining permits.

If CDOT ROW is required, an Unsolicited Proposal should be submitted to CDOT before the grant application window closes. Please upload the completed Unsolicited Proposal document that was submitted to CDOT as proof. Please visit the CDOT Webpage on this topic for more details.

#### Pole Attachments and Make Ready

Narrative should include information about any required make ready. This section should include owner of the poles, cost, time frame for submission and obtaining the pole attachments, and information about any current pole attachment agreements. Please provide any barriers, and their impact on the project, to obtaining pole attachment agreements and licensing. This section should also include information about anticipated pole replacement costs and the methodology used to determine the estimated number of pole replacements.

While the cost of pole replacements is an Eligible cost, they must be solely for the purpose of enabling new attachments to be installed in compliance with the National Electric Safety Code and not the result of deferred maintenance.

# Information on Funding Sources

The application should describe the funding sources used as match. This should include the entity that is providing the match, original source, the amount, percentage match, description, type of match, and whether the match has already been secured; and, if not already secured, the risks associated with securing funding.

The application should describe outcomes if the grant is not or only partially funded. In addition, please describe any additional funding sources the Applicant(s) may seek for the proposed project area.

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#### Applicant Experience

Applications must describe the experience of the Applicant and its selected partner(s) and vendor(s) sufficient to successfully build and operate the proposed network. The CBO expects Applicants to have the appropriate financial, technical, and operational wherewithal to operate broadband networks on a long-term, sustainable basis.

#### Network Technology and Equipment

Proposals must identify the network technology standard or standards to be used in the proposed network, such as DOCSIS 3.x, GPON, EPON, NG-PON2, XGSPON, and Active Ethernet. Networks using a PON architecture must identify the split ratio(s) to be used on the proposed facilities.

Applicants should also identify the equipment and life span of the equipment expected to be used in the project. In addition, the Applicant should identify an equipment replacement schedule of the equipment life span based on the pro forma period.

The Network Technology identified must be appropriately depicted in the Applicants' required high-level design.

#### Backhaul Infrastructure

Describe the nature of the backhaul infrastructure that will be utilized in this project. Items to address are ownership, leases, cost and length of leases, resiliency of the backhaul route(s), and if there are multiple routes, or if there is only one route to a major networking location.

Public and quasi-public entities applying for funding should also provide documentation of a competitive bidding process for selected partner(s) and vendor(s).

## 1. Community Letter of Support

For-profit and non-profit Applicants will be required to submit a non-exclusive Letter of Support from the governing body or bodies of the jurisdiction(s) containing the proposed service area. A Letter of Support template will be provided to Applicants and will be available as a download within the online application. Applicants that do not submit a Letter of Support by the application deadline may request an extension of no more than 60 days past the Application deadline to submit the Letter of Support.

If a governmental entity is the Applicant, proof of the governing body's official vote to apply will be accepted.

If this application is a partnership between multiple governmental entities, then proof of each governing body approving the partnership and/or the application must be submitted.

Applicants proposing projects on Tribal lands must provide a Letter of Support from the governing body of the tribe.

Optional letters of support can be included in applications in addition to the required Letter of Support.

#### 2. High Level Design, Proposed Funded Service Areas, and Proposed Routes

Proposed projects must identify the Eligible locations to be served by the proposed project, and Ineligible locations that will be incidentally passed. Locations submitted must be addresses and unique identifiers found on the information distributed by the Program. Proposals must include:

Polygons of the proposed funded service areas (these will be published for the challenge process).

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- The required polygons should fully encompass all Eligible locations the Applicant is seeking funding for as well as any incidentally passed Ineligible locations. Incidentally passed locations are those locations within 250 feet of the proposed network path.
- The proposed fiber or cable path to reach all proposed Eligible locations. Applicants must submit a "path layer" in GIS format. The path layer should distinguish between aerial and underground to the extent Applicants are able.
- Proposed routes submitted (path) must include all new routes and proposed backhaul routes.
- If applicable, Applicants must show their existing fiber or cable network routes within the municipalities and/or the unincorporated areas in or from which the Applicant is proposing to extend its network. Include any applicable information of these existing assets such as cable density, available capacity, year of deployment.
- Existing routes may be the actual cable or fiber line routes, the roads and/or poles along which the Applicant has the existing network(s).
- Any additional Served addresses expected to be passed to reach Eligible locations.
- The locations of key networking equipment such as OLTs and splitters, and interconnection points with backhaul networks.

#### Map Information

Maps and design information must be provided in electronic format. Locations may be submitted as either an ESRI shapefile or entered into the provided Program Workbook and must include the unique ID code for each address. Proposed and existing fiber or cable routes may be submitted as either ESRI shapefiles, geodatabase or KMZ/KML files. Proposed and existing routes must be submitted as separate files.

Awardees must submit engineered designs for awarded projects prior to reimbursement. Designs must be prepared under the review of a P.E. or an engineer whose credentials are submitted along with the design. This review requirement may be waived by the CBO for projects less than \$1,000,000 in grant funding to expedite construction.

#### Backhaul Infrastructure

Depict backhaul infrastructure that will be utilized in this project and points of interconnection with Advance-CPF proposed funded infrastructure. Depict point(s) of internet connectivity.

#### 3. Project Financials

Project Financials will be entered into the supplied Advance-CPF Program Workbook. Applications must include a proposed budget and maximum project cost using the template provided in the Workbook, no other formats will be accepted. The proposed project cost must be broken down by major cost categories provided in the template. Applications must detail all proposed sources of funding for the project, the sum of which must equal the total proposed project cost. The application must identify the amount of grant funding sought from the program, and the amount of other funding from other sources including match from the Applicant and any other sources of grant funds. The application must identify if any matching funds are from loans or backed by loan guarantees specifically backed or secured by the assets or revenues of the proposed project.

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#### Pro Forma Cash Flow

The pro forma cash flow should include:

- a. Expected revenues, detailing assumptions about:
  - i. revenue sources and/or customer classes.
  - ii. projected customer numbers, take rates, and average revenue per customer in each customer class.
  - iii. rate cards.
- b. Expected operating costs, detailing assumptions about major cost categories.
- c. Expected initial capital costs, detailing assumptions about major cost categories.
- d. Expected capital refresh/reinvestment in the network, detailing assumptions about major cost categories.
- e. Assumed capital funding sources, including grants, partner contributions, cash reserves, debt, and equity.
- f. Assumed debt and capital lease servicing costs.

The pro forma analysis should be for not less than a 10-year period, or the length of any expected debt or capital leases, whichever is longer. Applicants must identify any periods during which the project is expected to have a net operating revenue loss and identify the expected source of funds to cover those losses.

#### Cost Reasonableness

Proposed costs must be reasonable and proportional to the density and difficulty of construction of the proposed project.

## 4. Proposed Services

Applications must include a list of common service tiers, including upload and download speeds, data caps if any, and prices to be offered over the funded infrastructure.

Prices provided should include:

- Charges for common equipment.
- Applicable fees and surcharges.
- Any cost for data overages.
- Bundled and promotional pricing may be provided, but in addition to, not instead of non- promotional pricing and pricing for stand-alone internet service.
- The application should identify any discounts offered or planned to be offered by the Applicant or through government programs to low-income households.
- The application should identify any non-recurring charges for service activation.

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- Describe policies and charges governing non-standard installations:
  - Including standard drop lengths and charges for long drops and underground drops.
  - Applicants must include the cost of long drops and underground drops to Eligible locations within the proposed project cost instead of treating these locations as non-standard installations.

#### 5. Audited Financials

Applicants must provide audited financial statements for the prior year. If an Applicant does not have audited financial statements, it may provide unaudited financial statements for the prior two years. The CBO will require any Applicants with unaudited financial statements to provide audited financial statements prior to Advance-CPF Grant Program contract execution.

Applicants should be aware that award of Advance-CPF funding may require future single audits. 13

#### 6. Conflict of Interest Statement

Application must disclose if the Applicant has any conflicts of interest with the State of Colorado Broadband Office and/or the ARPA Capital Projects Funding source.

#### 7. Authorization to Apply

The Applicant must provide proof of the authorization to apply as part of any grant application.

#### 8. Other Supporting Documentation

The Applicant may submit other documentation, within reason, to support the application. Examples may include:

- Recently completed Environmental Impact Statements in the proposed project area.
- Proof of permitting, if already obtained.
- Any State Historic Preservation Officer (SHPO) and Tribal Historic Preservation Officer (THPO) reviews already completed.
- Additional letters of support from Community Anchor Institutions, major employers, Chambers of Commerce and/or local/regional economic development agencies, or similar such organizations.
- CBO prefers letters of support to show community support, however, CBO also expects these to be to a reasonable number of letters of support.
  - Proof of partnership(s) between two or more organizations. Multi-party partnerships must describe the roles and responsibilities of the partnership members, including identification of the proposed fiscal agent.

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<sup>&</sup>lt;sup>13</sup> Title 2, Subtitle A, Chapter II, Part 200, Subpart F



# **Application Review**

# CBO Information Requests and Application Remediation

The CBO reserves the right to work with Applicants to remediate their applications during the application review and evaluation process.

*Example:* An area of possible remediation may involve Applicants being asked to incorporate additional Eligible locations into their applications to avoid leaving Unserved or Underserved locations at the end of a dead-end road or at the edge of a community.

Example: Removal of addresses from an application that are determined to be Served, and commensurate reduction of the grant award.

It is the goal of this Program to encourage efficient and all-inclusive network building including facilitating projects that accomplish universal service within a logical geographical area.

During the application review process the CBO, including through its contracted application reviewers, may request clarification from Applicants related to the following:

- Information submitted
- Additional supporting documentation
- Opportunities to cure minor deficiencies
- Clarification or additional supporting documentation related to project prioritization factors

The CBO will initiate a request via email to the primary contact listed in the application. Requests will include a deadline to respond to the request, which will typically be within ten (10) business days.

The CBO may review submitted applications based on information submitted without making additional requests. If requests are made, all requests will be to further the CBO's interests in considering a broad range of applications and bringing improved broadband to as many Colorado locations as possible in a technically sound and cost-effective manner.

Applicants should not rely on an opportunity to supplement or clarify information after the application deadline and should take care to include all information requested by the application in a clear and understandable manner.

If two or more Applications are received that propose to cover overlapping project areas, at the discretion of CBO, such Applications will be afforded a remediation opportunity.

# **Project Prioritization**

The CBO's Advance-CPF scoring criteria will reflect a preference for projects that address and prioritize the following. Maximum score is 20

- Areas with the highest percentage of Eligible Unserved locations
- Cost efficiency and justification for high-cost areas

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- Available and affordable services
- Community engagement by the Applicant

Note, scoring of some criteria may be based on the relative strength of the application relative to other applications in the same Advance-CPF cohort or cycle.

- 1. Needs Based evaluation based on the following prioritization factors. 40 Points
  - a. Applications containing 100% of locations categorized as Eligible -Unserved (including incidentally passed locations of another category\*\*). 40 points
  - b. Applications containing at least 80%, but fewer than 100%, of locations categorized as Eligible Unserved (including incidentally passed locations of another category\*\*). 30 points
  - c. Applications containing at least 60%, but fewer than 80%, of locations categorized as Eligible Unserved (including incidentally passed locations of another category\*\*). 20 points
  - d. Applications containing at least 40%, but fewer than 60%, of locations categorized as Eligible Unserved (including incidentally passed locations of another category\*\*). 10 points

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<sup>\*</sup>Only points from only one category will be awarded per Application.

<sup>\*\*</sup>Incidentally passed locations are locations within 250 feet of the proposed last mile network path, including Ineligible locations.



## 2. Gigabit Speed evaluation based on the following prioritization factors. 30 Points

The ability of the proposed project to serve customers with fiber to the premises at gigabit speeds with no data caps upon initial deployment (minimum of 1000/1000 Mbps). - 30 Points

## 3. Project Financial Evaluation based on the following prioritization factors. 30 Points

Cost-efficiency relative to the difficulty of the project proposed. Evaluation will include as key metrics the proposed grant amount per Eligible premises passed by the project and proposed grant amount per mile of new cable or fiber plant proposed.

The CBO will consider factors that may make certain areas more difficult and costly to serve, such as low density, extensive make-ready costs or unavoidable underground construction, to the extent the Applicant is able to provide evidence for such conditions.

- a. Very high efficiency very low grant cost per mile and per Eligible premises passed, relative to the difficulty of the proposed project. 30 points
- b. High efficiency low grant cost per mile and per Eligible premises passed, relative to the difficulty of the proposed project. 20 points
- c. Moderate efficiency moderate grant cost per mile and per Eligible premises passed, relative to the difficulty of the proposed project. 10 points
- d. Low efficiency high grant cost per mile and per Eligible premises passed, relative to the difficulty of the proposed project. 0 points

## 4. Technical and Readiness Evaluation based on the following prioritization factors. 20 Points

Project Readiness, the degree to which the proposed project demonstrates:

- The commitment of proposed match sources,
- The completion of preliminary engineering,
- The attainment of necessary permits, right-of-way access, and easements, and
- The completion of necessary pole and conduit licenses.
- Demonstration of full readiness on all factors. 20 points
- Demonstration of substantial readiness on the majority of factors. 10 points
- Demonstration of substantial readiness on some factors. 5 points
- None of the above. 0 points

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#### 5. Broadband Development Impact evaluation based on the following prioritization factors. 50 points

#### a. Affordability – 2 points for every \$10 under \$100/month, up to 10 points

Price of the lowest generally available non-promotional residential service tier with speeds not less than 100/20 Mbps and no data caps. Pricing must be standard, non-promotional pricing. Proposed services and pricing will be entered by Applicants into a provided table in the Program Workbook.

#### b. Community Impact Factors – 5 Points each, up to 40 total points

#### Project Location -

Areas of low or moderate income, high unemployment, high poverty or economic distress.

## Increase Broadband Adoption and Digital Literacy -

Supports a credible plan to increase broadband adoption and improve digital literacy in impacted communities and unincorporated areas, especially among populations that have experienced inequities in access to work, education, and health care or health information that resulted from, was made apparent or was exacerbated by the COVID-19 public health emergency.

## Major Economic Development -

Project would provide services that support at least one major economic development initiative as identified by a regional planning or development council or economic development authority.

## Broadband Planning Initiative -

Project supports recent broadband planning initiatives within the proposed area.

# Nearby Projects -

The project is coordinated with or builds upon other nearby projects that will provide greater regional benefit.

#### Strategic Partnerships -

The project has strategic partnerships involved in the proposed project, for example, electric utilities, universities, and federal, state, or local agencies.

# High Need Area(s) -

The project addresses Eligible premises in a region of the state with high need but relatively few funded projects.

#### State Plans -

The project supports adopted state plans or priorities not otherwise addressed by other prioritization factors.

#### 6. Applicant Designation. Max 10 Points

The following Applicants will receive 10 points:

- Minority owned businesses
- Women owned businesses

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- Disadvantaged business enterprises
- Veteran owned Businesses
- Federally recognized tribes

\*Points for only one category will be awarded per application.

# 7. Subsidized Affordable Connectivity Program (ACP) evaluation based on the following prioritization factors. 20 Points

- a. Applications that commit to offering a service of at least 100/20 Mbps with no data cap to ACP qualified households that are fully subsidized under the FCC's Affordable Connectivity Program and its successor program. 20 points
- b. Applications that commit to offering a service of at least 25/3 Mbps with no data cap to ACP qualified households that are fully subsidized under the FCC's Affordable Connectivity Program and its successor program. 5 Points

# **Project Scoring Matrix**

Evaluation Item Scoring	Maximum Score
1 Needs Based evaluation	40
2 Gigabit Speed evaluation with Fiber	30
3 Project Financial Evaluation	30
4 Technical and Readiness Evaluation	20
5 Broadband Development Impacts	50
6 Applicant Designation	10
7 Subsidized Affordable Connectivity Program (ACP) Service	20
Total Possible Score	200

Applicants' Scored Evaluation Criteria	Poi	Points	
	Maximum	Variable	
1 Needs-Based Evaluation*	40		
100% Unserved		40	
Between 80% and 100% Unserved		30	
Between 60% and 80% Unserved		20	

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Between 40% and 60% Unserved		10
None of the above		0
*Includes incidentally passed locations of any other category within 250 feet of Applicant's network path.		
2 Gigabit Speed Evaluation with Fiber	30	
Yes		30
No		0
3 Financial Evaluation	30	
Very High Efficiency		30
High Efficiency		20
Moderate Efficiency		10
Low Efficiency		0
4 Technical and Readiness Evaluation	20	
Full Project Readiness		20
Substantial Project Readiness on most factors		10
Substantial Project Readiness on some factors		5
None of the above		0
5 Broadband Development Impact	50	
Cost of Lowest Available Service for 100/20Mbps		Up to 10
Service between \$75-\$66/month		0
Service between \$65-\$56/month		2
Service between \$55-\$46/month		4

Service between \$45-\$36/month	6
Service between \$35-\$26/month	8
Service between \$25 or less/month	10
Community Impact	Up to 40
Project Location	5
Increase Broadband Adoption and Digital Literacy	5
Major Economic Development	5

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Broadband Planning Initiative		5
Nearby Projects		5
Strategic Partnerships		5
High Need Area(s)		5
State Plans		5
6 Applicant Designation - Points for one category per application	10	
Minority Owned Business		
Woman Owned Business		
Disadvantaged Business Enterprises		
Veteran Owned Business		
Federally Recognized Tribes		
7 Subsidized ACP Service	20	
Will Offer 100/20Mbps Fully Subsidized		20
Will Offer only 25/3Mbps Fully Subsidized		5
Total Possible Score	200	

Applicants' Unscored Evaluation Criteria		
	Yes	No
Matching Funds Evaluation - Yes or No		
25%		
50%		
Approved Waiver		
Special Zones or Districts - Yes or No		
Enterprise Zone		
HUB Zone		
Opportunity Zones		

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Applicants' Unscored Evaluation Criteria	Yes	No
Rural Jump Start Zones		

## **Project Overlaps**

If multiple eligible projects contain overlapping Proposed Funded Service Areas, the CBO may request one or more Applicants revise their proposals to eliminate the overlaps. The CBO may also request modifications to eliminate overlaps with projects proposed under other broadband programs. The Office may defer a project's final scoring and prioritization pending submission of revisions.

# Review of Designs, Reimbursement Requests, and Completed Networks

Awardees must submit engineered designs for awarded projects prior to reimbursement. Designs must be prepared under the review of a P.E. or an engineer with substantial demonstrated experience designing cable or fiber networks whose credentials are submitted along with the design. This review requirement may be waived by the CBO for projects awarded less than \$1,000,000 in grant funding to facilitate projects with a rapid construction schedule. To expedite construction and with the prior approval of the CBO, Awardees may receive reimbursements prior to submission of engineered designs:

- For pre-construction costs.
- On projects which require phasing of construction, for those phases for which the Awardee has submitted an engineered design.
- Up to the first 60 days of construction costs of an awarded project or project phase.

Disbursement of grant funds will require submission of proof of expenditures on eligible costs for review prior to reimbursement. Awardees must cooperate with field audits performed by CBO contractors to verify constructed plant completeness and quality and must submit as-built network documentation prior to final close-out of the grant.

#### Advance Colorado Consult Group

An <u>Advance Colorado Consult Group</u> will be established by the CBO. All stakeholders, and the public, may participate in such meetings. Meetings will be held on approximately a quarterly basis. The CBO will seek specific representation from the following stakeholder sectors:

- Local Government/Municipal
- Tribal
- Industry Associations
- Governor's Office
- Other State Agencies

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The Advance Colorado Consult Group may provide input to the CBO on the Advance-CPF grant program and other federal grant programs, including grant criteria, scoring, application and grantmaking processes and procedures, and other Advance Colorado grant-related issues.

To self-nominate or nominate individuals to the Advance Colorado Consult Group, please fill out the <u>nomination form</u> and send an email including background, experience, and interest in participating to Advance\_CBO@state.co.gov

# Notice of Decision

Applicants will be emailed CBO's Advance-CPF Grant Program award decisions when such decisions are rendered and published to the CBO website. Upon publication of Advance-CPF Grant Program award decisions, the Challenge Process and Appeals Process will immediately commence.

# **Grant Agreement**

Applicants will be required to enter into a Grant Agreement with the CBO prior to award. A Grant Agreement template will be made available to Applicants and published on the CBO website. The Grant Agreement will contain standard conditions, including conflicts of interest and will require Awardees to obtain a payment and/or performance bond and submit lien waivers with reimbursement requests. In general, no modifications to the Grant Agreement will be allowed.

# **Grant Administration**

Awarded grantees will be required to comply with all State, Federal, programmatic and regulatory requirements that apply to this funding.

# Reporting Requirements

Due to the federal nature of the Capital Project Funds which provide the entirety of grant funding for the Advance-CPF Grant Program (excluding matching funds), Awardees must engage in a variety of reporting and compliance requirements. These include quarterly reporting, cost performance reporting, close out reporting, and post close out reporting. In addition, CBO also has state level reporting and grant oversight as well. The reporting for Advance-CPF Awardees and CBO are outlined below.

## Reporting Basics and Timelines

Awardees will be required to cooperate with the CBO's federal reporting obligations for ARPA funding, including as a Sub-Recipient of federal funds. Awardees should expect to provide information such as:

- Projected construction start date (month/year).
- Projected initiation of operations date (month/year).
- Actual construction start date (month/year).
- Actual initiation of operations date (month/year).
- Project location (for broadband geospatial location data).

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- Information provided in Applicant proposals such as, speeds/pricing tiers to be offered, technology to be deployed, miles of fiber, cost per mile, and cost per passing.
- Information regarding:
  - Number of households projected to have increased access to broadband meeting the minimum speed standards in areas that previously lacked access to service of at least 25 Mbps download and 3 Mbps upload.
  - Number of households with access to minimum speed standard of reliable 100 Mbps symmetrical upload and download.
  - Number of households with access to minimum speed standard of reliable 100 Mbps download and 20 Mbps upload.
  - Number of institutions and businesses projected to have increased access to broadband meeting the minimum speed standards in areas that previously lacked access to service of at least 25 Mbps download and 3 Mbps upload, in each of the following categories: business, small business, elementary school, secondary school, higher education institution, library, healthcare facility, public safety organization, park, and any other community anchor facility.
    - The number of each type of institution with access to the minimum speed standard of reliable 100 Mbps symmetrical upload and download.
    - The number of each type of institution with access to the minimum speed standard of reliable 100 Mbps download and 20 Mbps upload.
- Speed test results as required by the Capital Projects Fund Project and Expenditure Report User Guide.<sup>14</sup>

This is not a comprehensive list of reporting requirements. Such terms and conditions will be contained in the Awardee's Grant Distribution Agreement (GDA) with the CBO.

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<sup>&</sup>lt;sup>14</sup> U.S. Treasury, Capital Project Fund, Project and Expenditure Report User Guide



#### Quarterly Reporting

Awardees will be required to complete quarterly progress reports through project completion. Progress reports will require information on:

- Project expenditures
- Number of communities served
- Number of jobs created
- Project status
- Costs and benefits
- Expenditures
- Pricing data (once service has launched)
- Speed test results

Failure to submit a quarterly report will cause the Awardee to be flagged as "out of compliance" and as such ineligible for cost remittances.

#### Reporting and Labor Standards

Awardees must comply with all applicable federal labor laws and regulations, and with all requirements for state, and local laws and ordinances to the extent that such requirements do not conflict with federal laws. The U.S. Treasury encourages Awardees of Capital Projects Funds (CPF) for broadband projects to incorporate strong labor standards, including project labor agreements and community benefits agreements that offer wages at or above the prevailing rate. Potential Applicants should become familiar with federal requirements and guidance specific to the Capital Projects Funds. <sup>15</sup> If public Applicants plan to use their Local appropriation of ARPA State and Local Fiscal Recovery Funds (SLFRF) as matching funds, they should also become familiar with guidance and requirements of ARPA State and Local Fiscal Recovery Funds. <sup>16</sup>

Federal Davis-Bacon Act prevailing wage rate requirements do not apply to projects funded solely by the Capital Projects Fund (CPF) program or the State and Local Fiscal Recovery Program (SLFRF). If, however, CPF or SLFRF funds are used on a construction project in conjunction with another source of federal funds which requires Davis-Bacon Act compliance, then the project may be subject to compliance with the Davis-Bacon Act. Additionally, corollary state prevailing-wage-in-construction laws (commonly known as "baby Davis-Bacon Acts") may apply to projects.

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<sup>&</sup>lt;sup>15</sup> US Dept. of Treasury Guidance for the Coronavirus Capital Projects Fund, § I(E), pages 11-12

<sup>&</sup>lt;sup>16</sup> SLFRF Final Rule, 87 Fed. Reg. 4393 (Jan. 27, 2022)



## Project and Expenditure Labor Reporting Requirements

The following reporting requirements apply to Grantees for CPF-funded projects receiving \$5 million or more in CPF funding based on expected total cost, and for SLFRF Recipients pledging SLFRF matching funds for projects over \$10 million in expected total cost:

- 1. Grantees may provide a certification that, for the relevant project, all laborers and mechanics employed by contractors and subcontractors in the performance of such project are paid wages at rates not less than those prevailing, as determined by the U.S. Secretary of Labor in accordance with subchapter IV of chapter 31 of title 40, United States Code (commonly known as the "Davis- Bacon Act"), for the corresponding classes of laborers and mechanics employed on projects of a character similar to the contract work in the civil subdivision of the State (or the District of Columbia) in which the work is to be performed, or by the appropriate State entity pursuant to a corollary State prevailing-wage-in-construction law (commonly known as "baby Davis-Bacon Acts").
- 2. If the above certification is not provided, the Awardee must provide a project employment and local impact report detailing:
  - The number of employees of contractors and sub-contractors working on the project;
  - The number of employees on the project hired directly and hired through a third party;
  - The wages and benefits of workers on the project by classification; and
  - Whether those wages are at rates less than those prevailing. (As determined by US Secretary of Labor in accordance with subchapter IV of chapter 31 of Title 40, United States Code ("Davis-Bacon Act").
    - Grantees must maintain sufficient records to substantiate this information upon request.
- 3. In addition, Grantees may provide a certification that a project includes a project labor agreement, meaning a pre-hire collective bargaining agreement consistent with section 8(f) of the National Labor Relations Act (29 U.S.C. 158(f)).

If the Awardee does not provide such certification, the Awardee must provide a project workforce continuity plan, detailing:

- How the Awardee will ensure the project has ready access to a sufficient supply of appropriately skilled and unskilled labor to ensure high-quality construction throughout the life of the project;
- How the Awardee will minimize risks of labor disputes and disruptions that would jeopardize timeliness and cost-effectiveness of the project; and
- How the Awardee will provide a safe and healthy workplace that avoids delays and costs associated with workplace illnesses, injuries, and fatalities; including descriptions of safety training, certification, and/or licensure requirements for all relevant workers (e.g., OSHA 10, OSHA 30);

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- Whether workers on the project will receive wages and benefits that will secure an appropriately skilled workforce in the context of the local or regional labor market;
- Whether the project has completed a project labor agreement.
- 4. Grantees will report on whether the project prioritizes local hires.
- 5. Grantees will report on whether the project has a Community Benefit Agreement, with a description of any such agreement.

Please note that federal requirements require following all state and local labor laws and guidance. For additional information visit: www.coloradolaborlaw.gov

# Compliance and Cooperation

# Compliance with Federal Funds Obligations

The U.S. Treasury has released Guidance for the Coronavirus Capital Projects Fund,<sup>17</sup> as well as the State and Local Fiscal Recovery Fund.<sup>18</sup> Awardees of Treasury funding must comply with ARPA funding Awardee obligations, including obligations of a Sub-Recipient of federal funds, in addition to reporting obligations. Awardees should expect to comply with requirements of other applicable federal statutes, regulations, and executive orders applicable to Awardees of federal funds used by the CBO for awards made under the program. Applicants should consider how and whether certain aspects of these requirements may apply.

Awardees will be subject to audit or review by the U.S. Treasury Inspector General and Government Accountability Office.

This is not a comprehensive list of federal funding obligations. Awardee obligations are more fully described in the CBO's Guide to Reporting and Compliance Obligations for The Advance Colorado Broadband Grant Program Awardees.<sup>19</sup> Applicants should review this Guide and the applicable guidance provided and requirements identified by the U.S. Treasury.

## Cooperation with State Broadband Mapping

In accordance with the Colorado Broadband Data Collection program, <sup>20</sup> ISPs that participate or intend to participate in any State of Colorado administered broadband grants program, must agree to provide information about broadband availability, pricing, and speeds in response to data collection requests from the State Broadband Office. Information reported must be no less than two years old and must meet the granularity requirements under state statute. <sup>21</sup> The CBO will coordinate information requested with required reporting under the Federal Communications Commission's Broadband Data Collection program to minimize reporting burdens. <sup>22</sup>

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<sup>&</sup>lt;sup>17</sup> <u>U.S. Department of the Treasury, Guidance for the Coronavirus Capital Projects Fund for States, Territories & Freely Associated State</u>

<sup>&</sup>lt;sup>18</sup> Coronavirus State and Local Fiscal Recovery Funds Final Rule

<sup>&</sup>lt;sup>19</sup> Advance Colorado Broadband Grant Program

<sup>&</sup>lt;sup>20</sup> Colorado Broadband Office, Broadband Data Collection

<sup>&</sup>lt;sup>21</sup> See Colorado Revised Statutes, C.R.S. 24-37.5-119 (9m)

<sup>&</sup>lt;sup>22</sup> See <a href="https://www.fcc.gov/BroadbandData">https://us-fcc.app.box.com/v/bdc-availability-spec</a>



# Modifications to Grant Awards

In rare cases, the CBOmay modify the amount awarded originally awarded to a grant Awardee, or modify the awarded locations, upon a determination that to do so is in the best interest of the state and that the modification is necessary for or consistent with the continued feasibility of the project and to ensure that the greatest number of unserved locations possible receive broadband service.

Examples of modifications may include, but are not limited to, use of grant funds awarded but not needed to complete the awarded project due to achievement of cost savings; expand broadband service to additional Unserved locations outside the originally awarded project area, extension of performance period.

Any modification requests are subject to substantiating documentation, federal regulations and fund availability.

# Reservation of Rights

The CBO has the right to amend the Program Guidelines and supporting application materials, in whole or in part, by written addendum, at any time. The CBO is responsible only for that which is expressly stated in the Guidelines document and supporting application materials and any authorized written addenda. Such addendum shall be made available on the <a href="Advance-CPF website">Advance-CPF website</a>. Should such addendum require additional information not previously requested, failure to address the requirements of such addendum may result in the application being found non-responsive and not being considered, as determined in the sole discretion of the CBO. The CBO is not responsible for and shall not be bound by any representations otherwise made by any individual acting or purporting to act on its behalf. CBO has the right to reissue the Program Guidelines at a future date.

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# Appendix A – Speed Test Requirements

"To ensure broadband infrastructure investments meet current and future cases and to promote consistency across federal agencies, Treasury adopts the compliance standards and testing protocols for speed and latency established and used by the Commission (FCC) in multiple contexts, including the Connect America Fund and the Rural Digital Opportunity Fund. To demonstrate continued compliance with these standards, subgrantees (Awardees) must perform speed and latency tests from the customer premises of an active subscriber to a remote test server at an end-point consistent with the requirements for a Commission-designated IXP. In addition, 95 percent of latency measurements during testing windows must fall at or below 100 milliseconds round-trip time. This approach ensures a connection that supports reasonably foreseeable real-time applications. In the limited circumstance where even a fiber deployment cannot achieve this latency threshold (for example in a remote territory), Treasury may expand the latency threshold for specific broadband infrastructure investments at the request of a recipient."<sup>23</sup>

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<sup>&</sup>lt;sup>23</sup> <u>U.S. Treasury, Capital Project Fund, Project and Expenditure Report User Guide</u> (page 27)