



# Grant County Digital

Response to Request for Proposals - Grant Administration  
and Related Services (RFP 22-01)



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## Overview

Congress recently passed three historic pieces of legislation that dramatically changed the broadband funding landscape. As a result, over \$60 billion in federal broadband funding is currently available to local governments.

Grant County Digital is well-positioned to take advantage of this legislation, which will require public agencies to respond quickly and efficiently with integrated planning teams capable of navigating these complex funding sources.

Catalyst Public Policy Advisors was created to help clients like Grant County Digital identify, capture and manage complex state and federal grants for broadband infrastructure. Catalyst works exclusively with rural-frontier communities in the Pacific Northwest to bring home the wins for our clients.

## Our Team

Catalyst is headquartered in John Day, OR and is led by Nick Green, an adept public policy practitioner with 20 years of experience managing complex capital improvement projects on behalf of public agencies. Nick successfully raised over \$10 million in broadband funding for Grant County from 2018-2022 through federal and state sources and more than \$26 million in total grant funds over a six-year period as the City Manager of John Day. As the Director of Grant County Digital, he managed a publicly-owned broadband consortium servicing public agencies and nonprofits throughout Grant County. Prior to entering public service, Green was a Senior Associate with Booz Allen Hamilton and a Project Manager with Jacobs Engineering where he managed a \$31 billion capital investment portfolio for the Department of Defense.

## Our Approach

The Grant County Digital Network Coalition is seeking grant administration, project management, and related services concerning Coalition's public broadband system improvements (collectively, the "Project").

We propose the following task-based approach:

- **Task 1 – Grant Administration.** Catalyst will administer current and pending grant awards for the Coalition, which are the Department of Administrative Services 2017 HB5006 grant and the pending Economic Development Administration FY20 CARES Act grant for John Day's Community Broadband buildout.
- **Task 2 – Project Management.** Catalyst will manage current project delivery, including contract management, solicitation, review of bids and procurements for design/engineering services.
- **Task 3 – General Administrative Support.** Catalyst will provide administrative support in the form of agenda preparation, meeting minutes and participation in

board of directors meetings, as well as assisting the Coalition to meet its ongoing obligations.

- **Task 4 (Optional) – Transition Planning.** Catalyst can assist the board to transition its operations and board structure to an independent agency.
- **Task 5 (Optional) – Capital Fundraising.** Catalyst will assist the board in future funding applications for grant writing and planning for future system expansions, on an as-needed basis.

## Task 1 – Grant Administration

Catalyst will manage the two current grant awards for which Grant County Digital has administrative oversight. They are:

**2017 HB 5006.** This grant agreement requires annual reporting to the Oregon Department of Administrative Services. Catalyst will provide the annual reporting, as well as the compliance management for the board's agreement with Oregon Telephone Corporation, to ensure OTC meets their obligations for the portion of this grant (\$1 million) transferred to them for the 2019 USDA ReConnect award.

**EDA FY20 CARES Act.** This grant agreement for \$1.8 million is pending award and will fund broadband buildouts on eight segments within John Day and Canyon City. It also includes the rehabilitation of 241 W. Main Street as the home of the new John Day CyberMill. This grant will have ongoing reporting requirements over the next 24 months until it is closed out.

For both grants, Catalyst will provide financial oversight, compliance and reporting to the granting agencies (DAS and the EDA) to ensure the board remains compliant with its obligations under these awards.

## Task 2 – Project Management

Catalyst will provide project management services for the EDA-funded broadband project. Catalyst will also act as the board's agent and owner's representative for contract monitoring of the USDA ReConnect buildout under the Internet Services Agreement with Oregon Telephone Corporation. These project management services include: assistance with contract management, negotiations, solicitation, review of bids and procurements for design/engineering services, and field work/project coordination for onsite construction activities for the duration of these construction projects.

## Task 3 – General Administrative Support

Catalyst will prepare meeting minutes, agendas and participate in board meetings. We can also periodically update the agency's website and refresh content that is relevant to the Coalition's service area.

Catalyst will also monitor and provide support services for recurring obligations, such as pole attachment fees, NJUNS permits, and lease agreements to ensure the organization remains compliant with its current obligations.

Under these administrative services, we can also monitor lease obligations and ensure the Coalition's commitments (and partner commitments) are being fulfilled.

Finally, Catalyst will assist with the annual budget and audits for the ORS 190 to ensure compliance with state regulations for an intergovernmental agency.

Note: Catalyst is not a public agency and will not be the custodian for public records (minutes, agendas, etc.). Catalyst is also not in a position to provide monthly bill pay services or accounting services on behalf of the agency. The board will need to continue to use John Day or set up a separate archive, bill pay and accounting for these services. The FY23 budget assumes John Day's admin staff will remain in this role.

## Task 4 (Optional) – Transition Planning

The board is nearing the point where it has achieved its mission to bring affordable, reliable high-speed internet to all Grant County residents. Within the next 24 months, this mission will be accomplished.

Catalyst can assist the board to begin planning the future transition of its operations and board structure to an independent agency with its own Employer Identification Number (EIN), insurance, and operational assets, if desired. This would include (optimally) the board owning the CyberMill locations throughout Grant County and maintaining its positive relationships with the Grant County CyberMill nonprofit, county first responders, and the other public agencies within the region.

The board could also elect to provide services beyond the borders of Grant County to become a regional Internet Service Provider for public agencies in eastern Oregon, acting as the fiduciary agent for other counties and/or public agencies if this is the direction the board wishes to pursue for its long-term operations.

## Task 5 (Optional) – Capital Fundraising Opportunities

The Coronavirus Aid, Relief, and Economic Security (CARES) Act, American Rescue Plan Act (ARPA) and the Infrastructure Investment and Jobs Act (IIJA) contain several new broadband funding opportunities.

The programs most relevant for Grant County Digital are:

- USDA ReConnect Program (\$1.291B)
- USDA Rural Broadband Program (\$74M)
- NTIA Broadband Equity, Access, and Deployment Program (\$42.45B)
- NTIA Middle Mile Grant Program (\$1B)
- DOC Tribal Broadband Connectivity Program (\$2B)
- DOC Digital Equity Competitive Grant Program (\$1.25B)
- FCC Affordable Connectivity Fund (\$14.2B)



The State also recently launched the Oregon Broadband Office (OBO), which is poised to receive \$200 million in federal funding directly to the state for broadband infrastructure and services. This office, led by Daniel Holbrook, is in the process of developing a Broadband Action Plan and Digital Equity Plan that address the requirements of this federal funding. Grant applications should be available this fall to begin accessing these funds.

We recommend a proven, multi-phase approach to secure funding from these sources:

**Phase 1 – Due Diligence.** Characterizes the market and available funding opportunities.

**Phase 2 – Pre-Development.** Creates a “Go-to-Market” strategy and preliminary design for Grant County Digital to begin planning its future broadband infrastructure investments.

**Phase 3 – Capital Fundraising.** Apply for state and federal grants to finance the broadband infrastructure.

**Phase 4 – Development & Certification.** Construct broadband buildouts using a portfolio management approach, with multiple projects occurring simultaneously.

**Phase 5 – Operations & Maintenance.** Create a plan to operate, maintain and manage the infrastructure once completed.

We will advise the board every step of the way through this process, building local capacity as we go, so that you will have the staff and capabilities in place to successfully manage this infrastructure once it is funded.

This optional task will evaluate seven new and existing programs for broadband funding. These sources include:

- **USDA ReConnect Program (\$1.291B):** The ReConnect Program offers loans, grants, and loan/grant combinations to help construct or improve facilities required to provide broadband access to rural areas. The program can also fund the acquisition or upgrade of an existing system not currently providing sufficient broadband access.
- **USDA Rural Broadband Program (\$74M):** Rural Broadband Program offers loans to help construct, improve, or acquire facilities and equipment needed to provide broadband access to rural areas.
- **NTIA Broadband Equity, Access, and Deployment Program (\$42.45B):** This program will finance infrastructure buildouts needed to connect every American to reliable, high-speed, affordable broadband.
- **NTIA Middle Mile Grant Program (\$1B):** NTIA will make grants through this five-year funding (FY2022 – 2026) on a technology-neutral, competitive basis to eligible entities for the construction, improvement, or acquisition of middle mile infrastructure.

- **DOC Tribal Broadband Connectivity Program (\$2B):** The Commerce Department's current Tribal Broadband Connectivity Program (\$980M) has received over \$5 billion dollars in funding requests for broadband deployment and affordability projects, demonstrating the significant need for funding to expand access to and adoption of broadband service on Tribal lands. Although other broadband funds provided by the Infrastructure Investment and Jobs Act can be used on tribal lands, by providing tribal governments with access to an additional \$2 billion in dedicated broadband funds, the Act gives tribes the opportunity to determine how best to meet the broadband needs of their own communities.
- **DOC Digital Equity Competitive Grant Program (\$1.25B):** This competitive grant program will accelerate the adoption of broadband through digital literacy training, workforce development, devices access programs, and other digital inclusion measures. The law authorizes \$250 million to be appropriated for each of the first five fiscal years in which funds are made available (the program may be extended).
- **FCC Affordable Connectivity Fund (\$14.2B):** This new long-term program will replace the Emergency Broadband Benefit Program, which was a temporary program created in response to the COVID-19 pandemic and funded by an appropriation of \$3.2 billion. The law appropriates an additional \$14.2 billion for the ACP, to remain available until expended. Households enrolled in the Emergency Broadband Benefit Program as of December 31, 2021, will continue to receive their current monthly benefit until March 1, 2022.

A typical grant application will cost \$40,000 - \$60,000 to prepare depending on the size and complexity of the build. Even if an initial application is not awarded, this work product is not lost. The preliminary design plans, cost estimates, GIS maps and other data created for the application can be resubmitted and reused for other funding applications.

The OBO will likely be able to provide technical assistance funding for the specific grant applications to reduce the cost to the Coalition. Many applications, like USDA's ReConnect, also allow for application costs to count towards the project match or to be reimbursed if a grant is awarded, provided the funds used to prepare the application are not from other federal sources. The funding request to the OBO is much simpler and can be accomplished in only a few hours, which would create a new grant-funded revenue source to cover the costs of larger, more complex applications.

## Fee Schedule

We propose a fixed fee of \$2,750 per month for Tasks 1-3 (the core tasks), which is equivalent to \$33,000 per year. Our recommendation is a 12-month period of performance with the option for the board of directors to exercise a one-year renewal. This period of performance of up to 24 months should ensure sufficient time to complete the agency's current grant obligations.

Tasks 1 and 2 will make up 80% of the workload (or \$2,200 per month) and can be fully-funded by grant revenues through capital outlay line items in the board's budget.<sup>1</sup>

Task 3 will be 20% of the workload (or \$550 per month) and can be paid from the Other Professional Services line item in the budget.

We propose an hourly rate of \$225 for Optional Tasks 4 and 5. These tasks are at the discretion of the board and can be used on an as-needed basis, also from Other Professional Services or Capital Outlay depending on the scope. Catalyst can provide a budgetary cost estimate for these services once they are fully scoped to ensure the board knows the not-to-exceed cost for these optional tasks.

## Summary

This is a unique moment in our history when an unprecedented amount of funding is being made available to rural communities for broadband access. Catalyst can assist Grant County Digital to unlock the economic potential of these funding sources to create community-wide access that is affordable, competitive with urban areas, and that lays the groundwork for future community and economic development efforts throughout Grant County.

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<sup>1</sup> As the John Day City Manager, Mr. Green would normally receive a 1% Incentive Compensation fee from the City of John Day for administration of the EDA grant, equivalent to \$18,000 for this award. Our proposal assumes these fees are waived and no administrative costs are awarded to Mr. Green under his current contract, making these funds available for expenditure by the Coalition.