Northport Planning Report

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Axiom

every connection counts

Table of Contents

Executive Summary

The Broadband Committee and town officials have been working diligently to determine what internet coverage is available in the community and what steps would be needed to provide every home in Northport with a fiber broadband connection. This report walks through the current state of internet surveys that the town has conducted, the planned Three-Phase GWI build that will occur over the next year or so, and the cost of completing a total fiber build to areas of the community that GWI will not cover.

Goals of the Committee

- Allow every home the opportunity to obtain a fiber optic internet connection
- Determine if municipal ownership or working with GWI makes sense
- Collect data through surveys and other means on the adequacy of current internet service
- Determine community support for improved broadband service
- Investigate all avenues for grant funding

Benefits of Fiber

There is no question that fiber optic connections can bring tangible benefits to Northport. With COVID-19, even those who might have been skeptical about the need for broadband know of the importance of a speedy, reliable connection for working or schooling from home. The vast majority of Northport residents do not have access to even the antiquated federal standard of 25/3Mbps. Maine currently defines unserved as those homes that do not meet a 50/10Mbps standard. Consolidated Communications DSL service in the community cannot reach even the outdated federal standard.

A fiber optics system is:

- A generational investment that will last 30 years or more
- Scalable and able to meet increasing demand
- The most reliable technology on the market today- it just works

The construction pricing that we have included within this report includes electronics that support 1Gbps/1Gbps to every home served. In addition, we have added capacity for a small group of homes to receive up to 10Gbps/10Gbps in the future.

GWI

Northport presents a unique situation in which the town endorsed a successful application by GWI to the ConnectMaine Authority. The GWI project covers approximately half of the town's homes, leaving an additional 386 homes without the GWI fiber solution. Axiom's assessment is that the Town has two choices, work with GWI to build out the remainder of the community or work with another provider to do the same.

Axiom Model

If working with GWI to build out to the rest of the community does not come to fruition, the town would have another option to work with another provider. In a municipally owned network of this size, only a small number of potential providers could operate such a small system. This approach is assessed in detail within this report. It is improbable that any other provider would give the town a proposal for the remaining 368 homes, given GWI's build plans. Consolidated already provides

service- reported by many as poor service- but they provide service to most of the community. Any new system- GWI's build, or another provider would compete with Consolidated.

Cost

The community can choose to work with an incumbent provider, attract another Internet Service Provider (ISP), or form a public utility. Whatever choice you make, no provider will build out a system using their capital. The Return on that Investment (ROI) would take too long. Therefore, even the current providers have not expanded (LCI) or improved (Consolidated) service in Northport. Internet Service Providers will only take communities seriously if the town is willing to explore public funding options, because any new build will require significant public subsidy.

Cost Estimate to build to remaining homes (386)	$1,992,768

All construction estimates are just that, estimates. With the significant global supply chain disruptions, the increasing cost of labor, and demand pressure for materials, we suggest adding at least a 10% contingency on this estimated number. We advise clients in the current environment that pricing is only guaranteed for 30-60 days before possibly being subject to change.

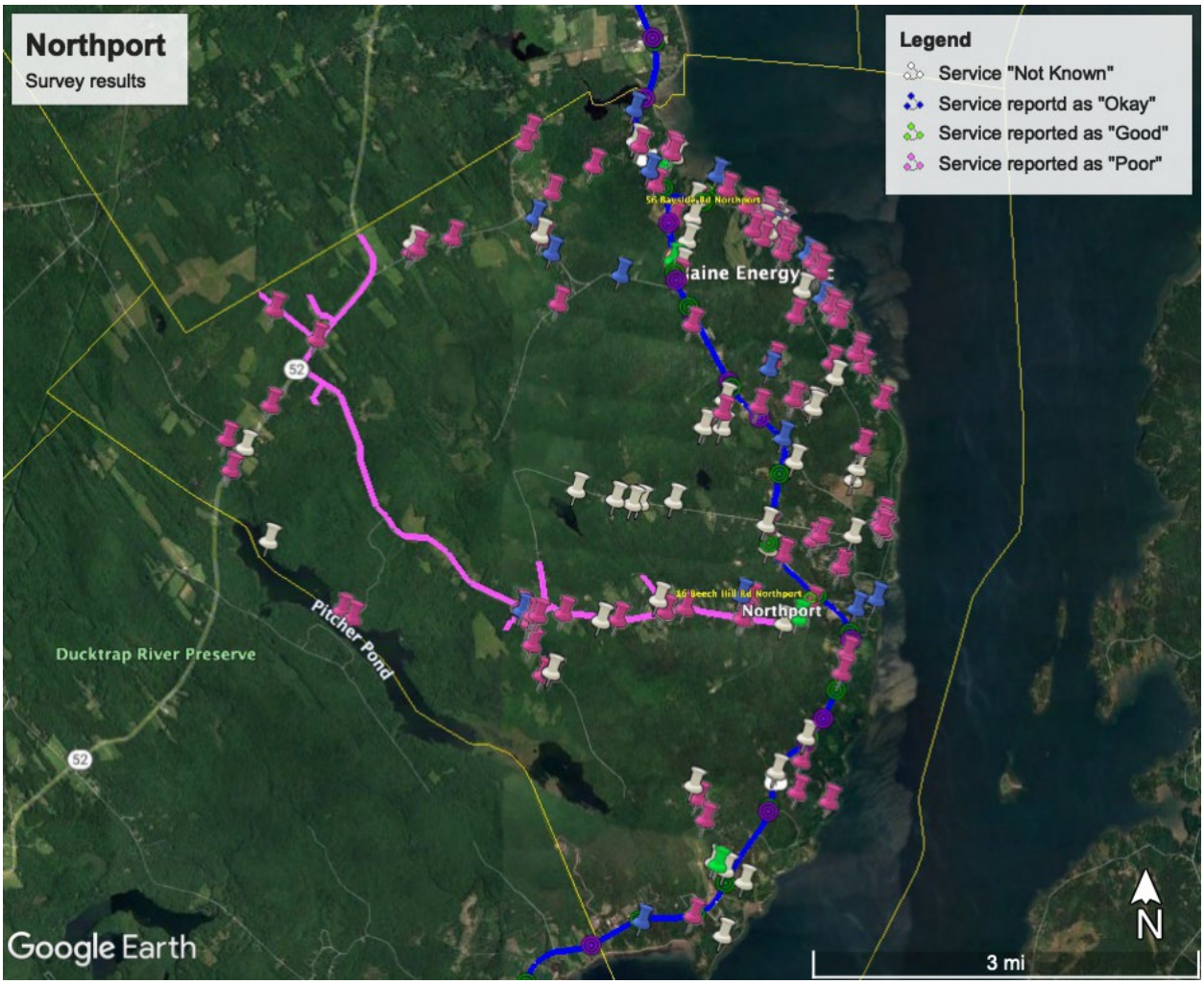
Grants

There are a variety of federal and state grant opportunities for the Town to consider. Both the town and the county have received American Rescue Funds, and a state grant round of $7M is expected to be announced in January. In addition, the state is expecting an additional $259M in federal funding for broadband over the next year. There has never been a better time to be considering an FTTH solution.

For Consideration as you read the report

- Working with GWI or another provider are both viable but will likely require some town funds to support the project
- The municipal Ownership model is feasible with the right ISP partner- if GWI does not build to the rest of the town
- 55 or so homes are going to be stranded on the other side of the GWI build- to serve them, GWI must expand their network build, or another ISP would have to overbuild fiber over parts of the GWI fiber to reach these areas
- Significant grant funding will be essential to limit local taxpayer participation

Community Survey Results



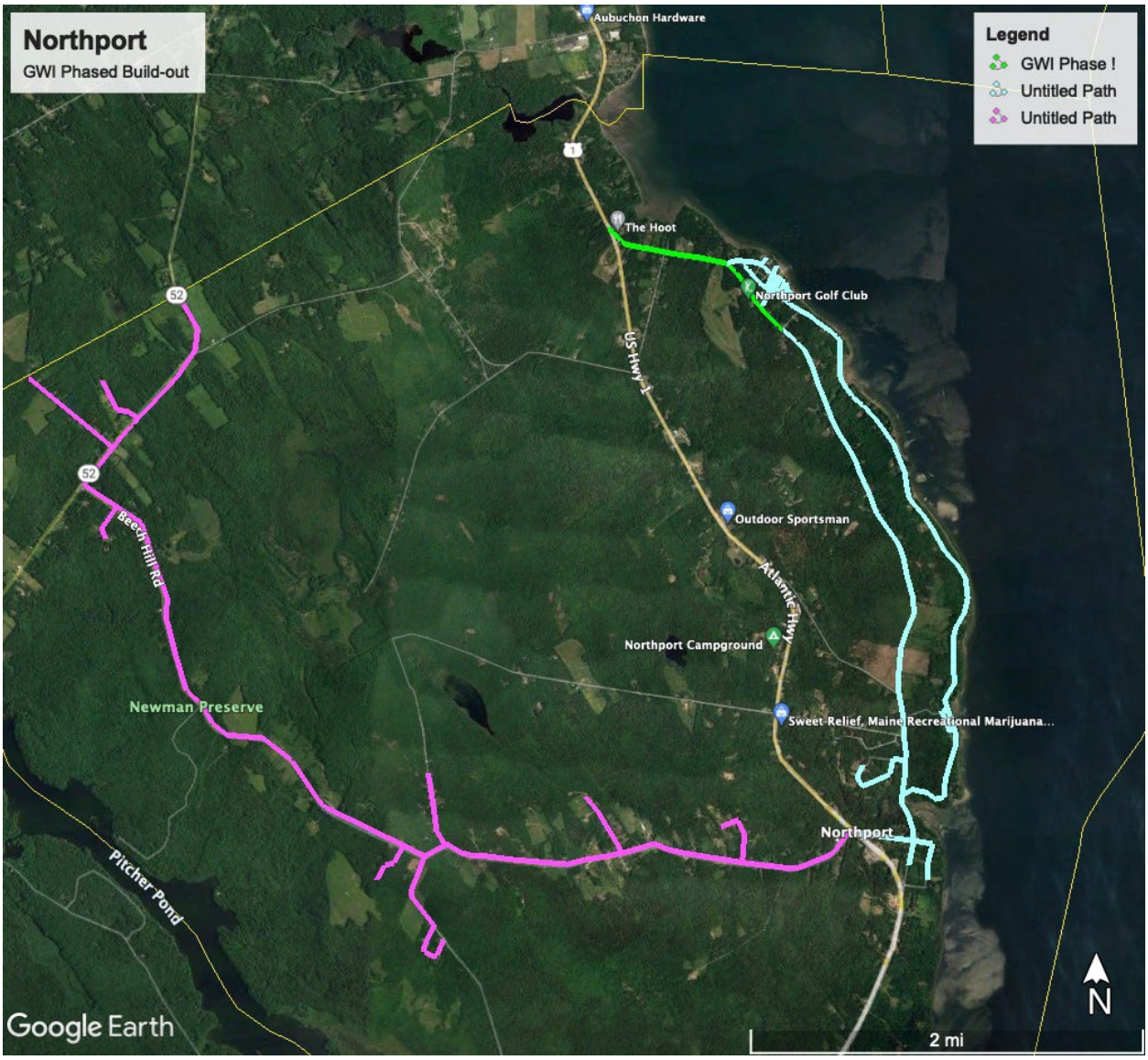
The community has received over 200 surveys from community members, and the majority report their speeds as “poor.” These surveys are a good indicator that the community would be open to investing in a broadband solution.

GWI plans to build to a large part of the community but still leaves out over 370 homes- close to half of the E911 addresses in Northport.

The latest Maine Broadband Coalition Speed Test data confirms that most have minimally poor service, with over 90% of 228 respondents reporting speeds of 10Mbps or less.

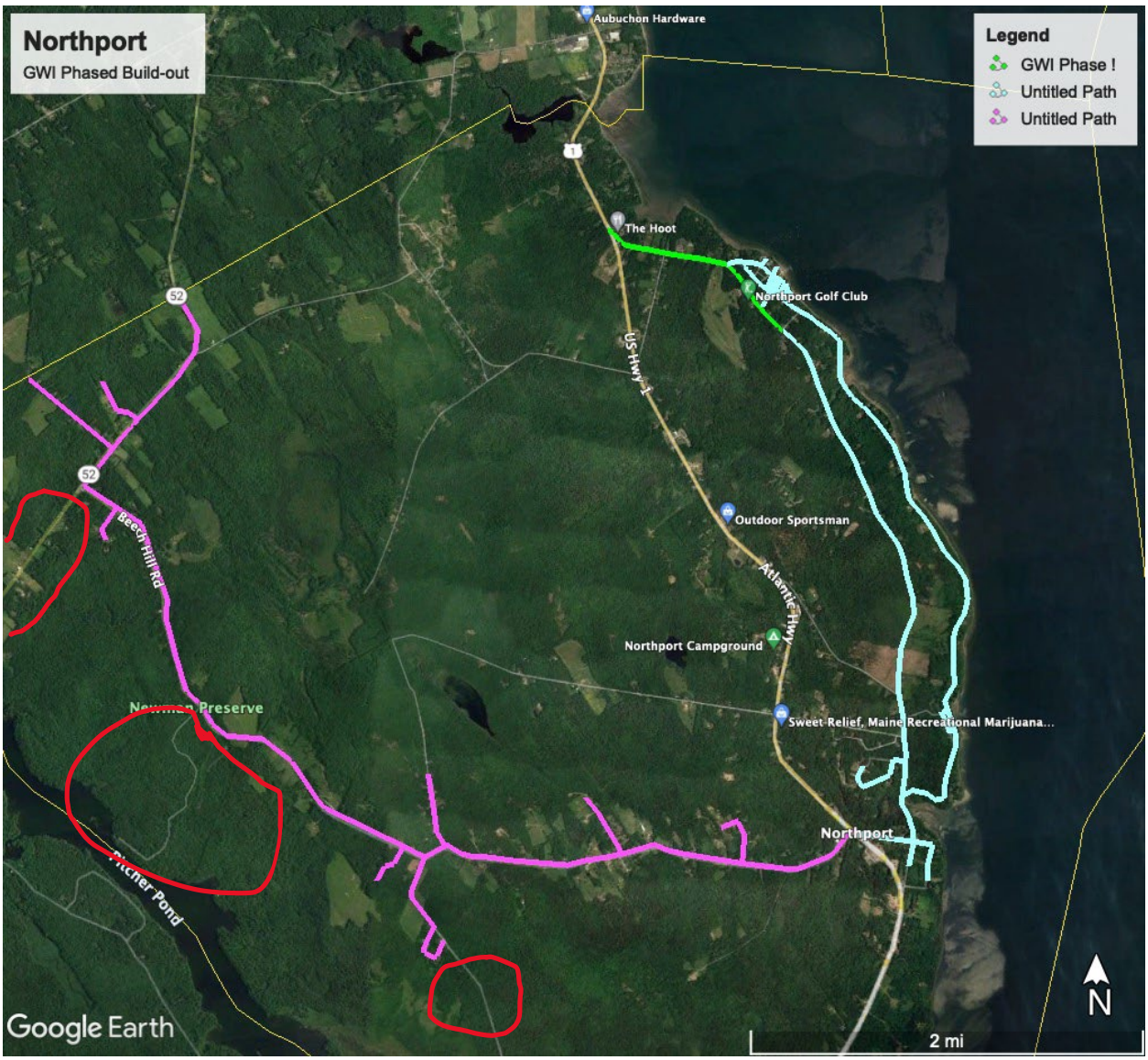
GWI Construction- Three Phase Build

GWI's plans to build to approximately 450 homes out of the 820 e911 addresses in the community.



Phase II, the pink line leaves about 55+- homes out of the GWI build but does not easily allow a new build to reach those homes without overbuilding onto GWI's planned network. Our calculations include overbuilding the GWI network to reach these unserved areas that are circled on the next map.

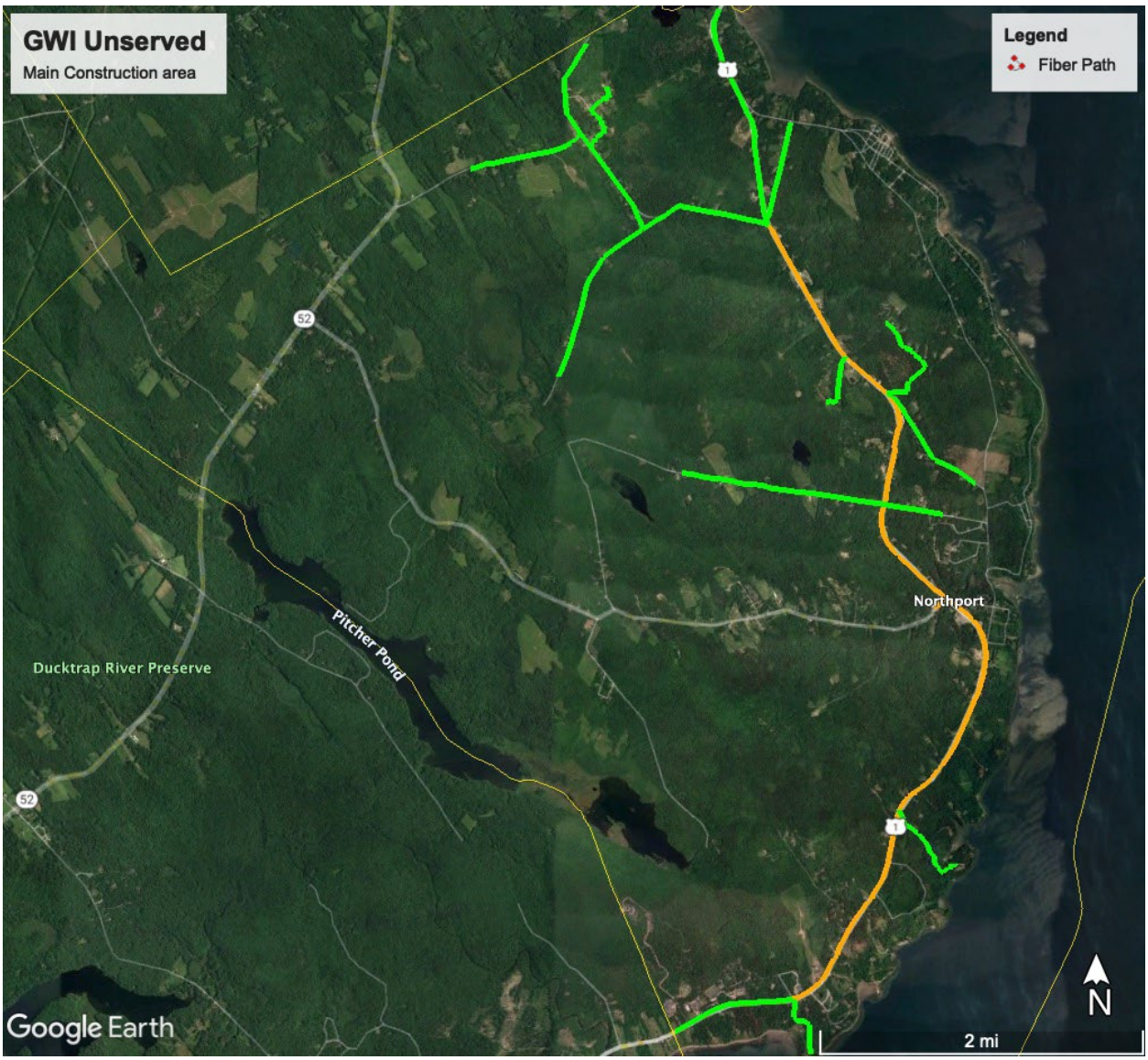
Unserved areas stranded by GWI Build



Approximately 41 homes are located in the red circles. These areas are included in our calculations for constructing the remaining areas not served by GWI.

Construction cost for areas not served by GWI

Axiom has created an estimated cost to build to all other parts of town except the areas circled on the previous map. Those areas are priced out separately because they require an overbuild of the GWI project to get service to those areas. The new fiber build will cover 323 addresses.



Total Cost of New Construction: **$1,473,946***.

- This initial cost does not include the gaps in utility poles
- Pricing is changing daily; delays will necessarily increase the cost of the project- we recommend putting at least a 10% contingency on this

This project would likely be eligible and competitive for grant funding.

In a typical Axiom model, where the community owns the infrastructure and Axiom operates the system on behalf of the town, Axiom provides some revenue return to the town in exchange for operating the system exclusively. However, our modeling will only pay back about ½ of the annual debt service because of the low number of subscribers. This points to the need to reduce the total amount borrowed by finding more savings or increasing subscriber rates. Both are viable, but we are modeling what we believe to be a conservative approach, meaning the numbers would get better as the modeling gets better refined. That said, it's possible that delays in the timing of this project will increase projected construction costs and off set any increased subscriber revenue.

Cost of construction by category

Category	Cost	Calculations	Assumptions
Licensing Application	$23,838	This is based on the number of poles and likely very close to the cost.	
Make Ready	$132,525	Calc: 589 poles x $250/pole= $132,525. This is a total ESTIMATE	This number will change. It could be lower.
Pole Replacement	$45,000	Calc: 5% pole replacement $1500/pole x 30poles= $45,000, this is a total ESTIMATE	Depends on the conditions of the poles if they are too short or aged and need replacement
Central Office (Utility Hut)	$229,037	Includes all equipment inside to light up system.	Not sure where this will be and what will be required.
CPE/Customer install (160 customers)	$64,800	$175 for home equipment and $100 labor for install. Calc: $275 x 401 homes= $110,275	It does not include a router, which we lease for $7.50/month, or buy your own.
Construction of the main system	$946,519	All-in cost from the contractor for main lines and drops to the home	This number is based on discussions with a construction contractor.
Project Management	$32,227	Axiom fee for overseeing construction contractor, installing CO, as well as taking orders for service	5% of overall project cost
TOTAL	**$1,473,946**	Includes all Make Ready	

Additional areas- Pitcher Pond and overbuild of transport to get to these areas

Pitcher Pond/Belfast Road

Cost of construction by category

Category	Cost	Calculations	Assumptions
Licensing Application	$1,200	This is based on the number of poles and likely very close to the cost.	90 poles
Make Ready	$22,500	Calc: 90 poles x $250/pole= $22,500. This is a total ESTIMATE	This number will change. It could be lower.
Pole Replacement	$7,500	Calc: 5% pole replacement $1500/pole x 5poles= $7,500, this is a total ESTIMATE	Depends on the conditions of the poles if they are too short or aged and need replacement
Central Office (Utility Hut)	$10,000	For additional equipment to serve this area	
CPE/Customer install (31 customers)	$8,000	$175 for home equipment and $100 labor for install. Calc: $275 x 31 homes= $8,525	It does not include a router, which we lease for $7.50/month, or buy your own.
Construction of the main system	$142,067	All-in cost from the contractor for main lines and drops to the home	This number is based on discussions with a construction contractor.
Project Management	$7,100	Axiom fee for overseeing construction contractor, installing CO, as well as taking orders for service	5% of overall project cost
TOTAL	**$198,367**	Includes all Make Ready	

The total number of homes is estimated at 47. A 65% take rate is calculated.

Knights Pond Road

Cost of construction by category

Category	Cost	Calculations	Assumptions
Licensing Application	$600	This is based on the number of poles and likely very close to the cost.	
Make Ready	$12,500	Calc: 50 poles x $250/pole= $12,500. This is a total ESTIMATE	This number will change. It could be lower.
Pole Replacement	$4,500	Calc: 5% pole replacement $1500/pole x 30poles= $45,000, this is a total ESTIMATE	Depends on the conditions of the poles, if they are too short or aged and need replacement
Central Office (Utility Hut)	$0	Few homes. No need for additional equipment.	
CPE/Customer install (2 customers)	$550	$175 for home equipment and $100 labor for install. Calc: $275 x 2 homes= $550	It does not include a router, which we lease for $7.50/month, or buy your own.
Construction of the main system	$69,643	All-in cost from the contractor for main lines and drops to the home	This number is based on discussions with a construction contractor.
Project Management	$3,750	Axiom fee for overseeing construction contractor, installing CO, as well as taking orders for service	5% of overall project cost
TOTAL	**$91,048**	Includes all Make Ready	

The total number of homes is estimated at 2.

Backbone to serve roads to Pitcher Pond

Cost of construction by category

Category	Cost	Calculations	Assumptions
Licensing Application	$2,000	This is based on the number of poles and likely very close to the cost.	
Make Ready	$37,500	Calc: 150 poles x $250/pole= $37,500. This is a total ESTIMATE	This number will change. It could be lower.
Pole Replacement	$12,000	Calc: 5% pole replacement $1500/pole x 8poles= $12,000, this is a total ESTIMATE	Depends on the conditions of the poles, if they are too short or aged and need replacement
Central Office (Utility Hut)	$0	Includes all equipment inside to light up system.	Not sure where this will be and what will be required.
CPE/Customer install (0 customers)	$0	$175 for home equipment and $100 labor for install. Calc: $275 x 401 homes= $110,275	It does not include a router, which we lease for $7.50/month, or buy your own.
Construction of the main system	$167,642	All-in cost from the contractor for main lines and drops to the home	This number is based on discussions with a construction contractor.
Project Management	$0	Axiom fee for overseeing construction contractor, installing CO, as well as taking orders for service	5% of overall project cost
TOTAL	**$219,142**	Includes all Make Ready	

Total Cost of Additional areas

Area	Cost
Pitcher Pond/Belfast Road	$198,367
Knights Pond Road	$91,048
Backbone to Pitcher Pond	$219,142
TOTAL of additional areas	**$508,527**

Main System cost	$1,473,946

TOTAL COST OF PROJECT	**$1,982,743**

If you receive 35% of the project cost by a state grant, the total project cost is reduced to $1,288,607. This is the number to model the feasibility of the project.

Explanation of Categories

Licensing Application, Make Ready and Pole Replacement

All three of these categories relate to applying for and receiving the approval to run fiber on the utility poles. The application cost cannot likely be avoided, even if you proceed as a municipally-owned system. The cost of Make Ready may wholly or partly be avoided if you are municipally owned, and it's unclear if you could avoid all or some of the expected pole replacements that may be necessary to run a new fiber cable.

Central Office

A CO refers to the location where the central operating equipment would be housed. For simplicity's sake, we propose a new telco hut with heating and cooling and a generator to power the system in the event of lost power. But depending on the location, whether it would be placed in an existing building or require a custom solution, the cost may change.

Customer Premise Equipment (CPE)

We have calculated a 50% take rate as to the number of units needed. It's possible that the Town would only purchase the number of units for people that sign up in the construction period. This may reduce the cost marginally but would increase the burden for those that sign up later.

Construction Cost

The most considerable expense, this number will need to be tested once we are ready and the project is approved and moving forward. As demand has skyrocketed, there have been increased costs to fiber materials, and the build's timing may also affect the price. More significant demand on construction crews and building in off-construction season can contribute to final pricing. It will not be apparent until the Town gets closer to hiring a contractor. We feel good about this number but want to be super clear; nothing is set in stone until a contract is agreed to and signed.

Project Management

There is an enormous amount of oversight, questions, and inquiries about these kinds of projects. If anyone has ever built a home, you understand the long list of decisions that need to be made- it's analogous to a fiber build project. Overseeing all the decisions, ensuring that the community's goals are met, and gathering all the necessary detailed information from potential subscribers requires a significant effort.

The construction budget contains several assumptions and estimates. It is possible that additional savings are achieved, but also important to remember that price increases are possible.

Savings

Being municipally owned and having good stewardship of the funds should produce savings, but that is not guaranteed. Because it is unclear if GWI would work with you, I did not remove or reduce any make-ready costs, which could lower the project's overall cost. A new law that is expected to be tested in the next couple of months is written so that any rural area that cannot reach speeds of 25/3Mbps AND is municipally owned would not be required to pay for make ready. This law is expected to be challenged by Consolidated, so it is unclear what will happen. In addition, if the town were to attract some amount of grant funding, this would reduce the cost even further.

Grant Funds to Support Project

The next ConnectMaine grant round is expected in late November. The rules are still being developed for this new round, likely to contain between $6-$7M in funding. If the committee and

town are not ready to proceed- a reasonable assumption- the next set of grants is unclear. There will certainly be an unprecedented amount of funding that will be available, it's just not clear when in 2022 these new grants will be offered.

Further Cost Savings

Some further cost savings could be derived depending on several factors:

- Utility Pole conditions
- Construction cost refinement
- Central Office location

Revenue and Expense Modeling

Be aware that the Revenue and Expense modeling is just one set of assumptions based on our experience with over 25 planning processes and deployments of FTTH. Each ISP would have its own internal modeling and calculations.

Year	Total # of Homes Served	Revenue	Expenses	Revenue return to town
#1	198	$152,539	$99,373	$28,680
#2	213	$163,478	$131,443	$30,840
#3	232	$177,558	$135,648	$33,360
#4	245	$187,717	$138,960	$35,270
#5	252	$193,360	$140,540	$36,480

The best-case modeling has these Revenue assumptions take rates:

Year	Year-Round Take rate	Seasonal Take Rate
#1	50%	55%
#2	55%	60%
#3	60%	65%
#4	63%	70%
#5	65%	71%

If the town were to bond $1,288,607 for 20 years, the cost chart is included below. We have added a column to represent the "gap" between the revenue generated that would help pay for the bond and the difference between that revenue and the bond cost to help you understand the viability of the project.

Maine Municipal Bond Bank
Estimate of Borrowing

Date	Principal	Rate	Interest	Total Payment	FY Total	Revenue	Gap
11/1/2022			$11,204		$11,204		
05/1/2023			$11,204	$11,204	$11,204	$0	($11,204)
11/1/2023	$64,765	0.550%	$11,189	$11,204	$87,173	$28,680	($58,493)
05/1/2024			$11,026	$11,026			
11/1/2024	$64,764	0.580%	$11,026	$75,791	$86,817	$30,840	($55,977)
05/1/2025			$10,838	$10,838			
11/1/2025	$64,764	0.620%	$10,838	$75,603	$86,441	$33,360	($53,081)
05/1/2026			$10,637	$10,637			
11/1/2026	$64,764	0.680%	$10,637	$75,402	$86,040	$35,270	($50,770)
05/1/2027			$10,417	$10,417			
11/1/2027	$34,620.00	0.790%	$10,417	$75,182	$85,599	$36,480	($49,119)
TOTALS	**$1,288,607**		**$309,450**	**$1,604,749**			

I am showing you the first five years of the bond payments and revenues, but because the yearly payments are fixed, you can extrapolate this model out 20 years with a revenue shortfall to pay the bond of approximately $50,000 per year.

For a world-class network that you own, the gap is $1,000,000 over 20 years. As we have discussed, the limited number of homes restricts the amount of revenue generation possible. This can only be overcome by increasing the potential for grants or other funds that reduce the borrowing necessary to build the project. Additional savings potentially derived through the construction due diligence process might also help.

Benefits of Public Ownership

Public ownership models are increasing in popularity, and several communities have implemented this approach because of the benefits of aligning and assuring that the ISP meets community goals. This model is a pathway for municipal leaders to have a stronger voice in what is happening in their community. While this model increases the town's responsibility, it also provides a much more collaborative approach with the ISP, which in turn brings better customer experiences and the ability of the town to change providers if service agreements are not met. These changes in the relationship foster a better partnership where the ISP is much more accountable to the user experience, and the community is much more committed to mutual success for both the town and the provider. Several communities have implemented this approach. There are several communities in the planning stage of becoming the public owner of a broadband internet system that will be implemented over the next year.

The following represent real-world examples of various ownership models:

Owned and Operated by the community- Islesboro
Islesboro model was the first in Maine and featured several unique aspects.

- Town issued a $3.8M bond to fund construction
- 600 premises connected
- Town contracts with GWI to run the system
- Town maintains list of subscribers and interacts with stakeholders billing is $360/year for a shared Gig of service across the island
- They have a volunteer committee to oversee the network

Owned by town, operated by Internet Service Provider- Cranberry Isles
The town successfully received a grant to pay for the system but has not yet received the funds.

- Town paid through property taxes the cost of the build $1.2M across 4 of the islands that make up the Cranberries
- To date, 200 premises connected
- Town entered into a long-term Public-Private partnership agreement with Axiom
- Axiom does all billing, maintenance, and tech support
- Axiom returns 5% of gross revenue to the town
- Various tiers of service, the system is capable of 1Gig/1Gig to each home

Owned by island investors, operated by ISP- Cliff Island
This is the only model in Maine that private investors own. Because Cliff Island is part of Portland, and Portland did not want to support the effort with municipal dollars, a group of islanders raised $350,000 from fellow islanders to pay for the fiber network, which was wired on the ground across the island to every home.

- Private investors are getting paid back by receiving $240/year for each subscriber
- Approximately 80 subscribers
- LLC entered into a 10-year agreement with Axiom
- Axiom does all billing, maintenance, and tech support

Forming a public utility- Downeast Broadband
Calais and Baileyville have created an open-access network that was envisioned to attract multiple providers to service the approximately 2000 homes passed. Currently, Pioneer Broadband is the only operator on the system.

- Towns took out a bond to pay for the system
- Payback is expected through the fees collected by ISPs on the system
- Maintenance is performed by contract with Pioneer Broadband
- A utility board oversees the system
- 2900 homes passed is expected
- Pioneer, the only operator on the system- claims 500 customers

Elements of a strong Partnership Agreement

Municipal responsibilities

- Own and insure the main backbone and fiber equipment
- Work closely with ISP on marketing efforts and take rates
    - Promote ISP and early commitments to the new system
- Commit to a long-term contract with the ISP to exclusively serve the community
- Develop and maintain expectations for ISP engagement and pricing for citizens

ISP responsibility

- Repair and maintain all fiber drops and home equipment at their cost
- Employ a local representative to support timely responses to customer issues
- Coordinate all operational and managerial responsibility for the system
- Return a % of gross revenue to the community
- Maintain proper insurance as required of an ISP

Determining if public ownership is the preferred approach will be vital to decide what next steps are taken. The Broadband Committee should focus on having a committee meeting to discuss the potential options for a municipally owned model and be ready to bring these options to the community.

Ownership Model Pros and Cons

Private Ownership Benefits	Private Ownership Concerns
The Town would not be responsible for anything. All responsibility would be on the ISP	It is almost a certainty that a public subsidy will be required to build out, so public money would be used to fund a system the Town would have little to no control over
This is a model that Spectrum & Consolidated traditionally use- so if the town works with an incumbent, this is the model to expect	While reducing risk, private ownership also cedes any leverage for pricing or customer service expectations to the incumbent
Keeps the status quo	If you like what you got now, no change
Updated and increased coverage to underserved parts of the community	Must insist that they serve every home- they typically are not willing to do that

Public Ownership Benefits	Public Ownership Concerns
Locally owned means the Town and the community are committed to its success. This typically drives additional takers of the service	The Town takes on additional responsibility
The Town has control over which ISP they choose and can change ISPs, and work to create reasonable pricing- in short, the Town will have the leverage!	With Town leadership changes over time- having consistent Town oversight of the intent and purpose of the original goals can be a challenge.
The Town can insist on fiber optics- and not worry about becoming obsolete for 20-30, even 40 years	Fiber can be 30% more expensive than other technologies to build
Saves money over the long run- long term investment- can avoid much of make-ready cost-saving 100s of $1000s during construction	The cost of the system may not be fully covered by the revenue generated by the subscribers, requiring additional support

Final Thoughts

The committee and the town need to answer two fundamental questions:

- Should we pursue a relationship with GWI?
- Should we strongly consider public ownership over the remaining 350-400 homes GWI will not serve unless we partner with them?

If you are not concerned about public ownership, you should consider these questions:

- Whatever ISP we work with, we want to ensure that every home would be able to receive service
- Would GWI be able to give us pricing that would narrow the "gap" in funding needed to complete the project
- Could the community attract another ISP to provide service over the new network if GWI is not interested?

If your goal is to own the system, you should ask these questions:

- What ISPs are interested in working with us to make a municipal model successful?
- This would likely eliminate LCI, Consolidated, and even GWI, given they are privately building over ½ of the community and would probably not consider a hybrid model of ½ public ownership and ½ private ownership- worth asking?
- How does the town fund the yearly gap in funding needed to support a municipal bond?
- How much public grant money can we successfully apply for to reduce the capital needed in a bond?

Attachment A

Map of E911 addresses

Attachment B

Grant Funding

What can communities do now to get ready and anticipate grant opportunities- and what are the grant opportunities available? This section communicates several areas of focus that communities can work on now, so they are ready when grant opportunities are available. In addition, we have compiled a list of the grant opportunities we are aware of; this list should help your community investigate potential funding sources.

Goal: Be Ready

Funding

Because most rural communities are governed through a town meeting, a warrant needs to be developed and approved several months before the actual meeting. For these communities, we suggest that you begin exploring the possibility of getting something on the warrant.

For those communities that have a Town Council, the funding timeline may be different, but just as importantly, all Broadband Committees should educate themselves on the process at council or town meetings. Often, funding opportunities don't line up with town processes, and opportunities can be missed simply because of timing.

We recommend having a community set aside a small amount of money; $5000-$20,000 have been amounts that other towns have earmarked that can be used on activities to create grant applications, install HotSpots, or used as a match for a future grant opportunity. In other cases, it was just as important to get language endorsing the work of a Broadband Committee and authorizing the Committee to explore all funding sources or to regularly report back on findings to town officials as to progress. All positive steps that can move the process forward.

Plans

Starting early engagement with any possible Internet Service Provider is very important. Building trust, agreeing to shared goals and roles and responsibilities will go a long way when opportunities arise to work together.

Goals

After looking at your town plan, you should consider and settle on your goals. "My internet stinks" is not a goal. Typically, communities that do well can articulate the answer to this fundamental question: Why? Why should the town focus on this? Why should we spend taxpayer dollars? Why is this important? The Broadband Committee must settle on their goals and be able to articulate those goals not only to their town leaders but to other citizens to build support. And speaking of support, I have mentioned this many times- find a champion- someone I like to call EF Hutton- if they talk, people listen. This could be a town-elected official, but it's often someone else who has significant influence in the community. This person can be critical to the success of any project. Start now and create a narrative for when you appear before the Select Board or Council and find a champion if you don't have one yet.

Explore the Criteria of Funding Opportunities

The Committees should look at each potential funding source listed below to see if the community can meet the criteria. Whether it's a cash match, or will only serve areas with minimal speeds, or a host of other eligibility requirements, many small communities are not used to the intensity required

to apply for a grant successfully. Be prepared. Know the requirements and start assembling the needed documentation to give your community the best chance.

Advisory resources: Beyond Axiom, Peggy Schaffer, the Director of the ConnectME Authority, can be a good resource for communities. She is one person- be mindful of that- and can be reached at Peggy.Schaffer@maine.gov.

Island Institute is also another great resource- Kendra Jo Grindle can be a great resource. As you get closer to implementation, she should be part of Committee discussions and support your efforts. She can be reached at kgrindle@islandinstitute.org

Grant Opportunities

The ConnectMaine Authority offers two types of grants- Infrastructure and Community Broadband Planning Grants. For this report, the planning grant is not a consideration. We would recommend looking toward an Infrastructure grant; details can be found here: http://maine.gov/connectme/grants/

Axiom has extensive knowledge of these grants and has received many of these grants totaling over $1M.

- Grant proposals must meet the state standard of 100/100Mbps
- Grant limits are suggested, but typically $100,000, which must be matched 1 to 1 with a combination of cash and in-kind services
- Area targeted must be unserved or underserved (Service that is less than 50/10Mbps)

Typically, the grant is open for applications in the March- April timeframe, but it is unclear when grants may be available this year.

> **** A $15M bond for Internet construction was passed in July. Those rules governing that grant program may differ from those currently used on past infrastructure grant submissions. You should follow these developments closely to understand the new requirements when they are announced. The second round of grants should be announced this month for $6-$7M, with the announcement of winners expected in March-April. ****

The Maine Community Foundation has regional grants that can support initiatives up to $10,000 a year found here: http://www.mainecf.org/GrantsNonprofits/AvailableGrantsDeadlines/CommunityBuildingGrantProgram.aspx

- Grants available up to $10,000
- Local decision-makers by county
- Various criteria that need review
- Deadline February 15th of each new year

The Foundation also has grants up to $15,000 for Community Broadband related activities, the deadline just passed, but details of requirements can be found here: https://www.mainecf.org/apply-for-a-grant/available-grants-deadlines/community-broadband-grant-program/

- Grant Awards up to $15,000

- Typically, ten awards every year
- Application deadline October 15th

Northern Border Regional Commission Grants located here: http://www.nbrc.gov/
The Commission accepts grant applications from across the northern border regions of Maine, New Hampshire, Vermont, and New York.

- Requires at least a 1 to 1 cash match
- Must be tied to quantifiable job creation
- Very competitive

Contact: Andrea Smith at (207) 624-9813 or andrea.smith@maine.gov for information on deadlines and program parameters.

Grant Funding Resources- Federal

Federal Stimulus Package has passed- $259M expected for Maine over next year.

- **$3.2 billion** – Affordability: emergency funds for low-income families to access broadband through an FCC fund.
  - $30 monthly emergency broadband benefit for low-income households and households where the recently unemployed reside, and $50 monthly for eligible households on Tribal lands. This benefit will be available to those households in which one member qualifies for 1) the Federal Communications Commission's Lifeline program; 2) Free and reduced-price lunch; 3) Pell grants; and 4) broadband providers' low income or COVID-19 programs.
  - In addition, households that include recently unemployed individuals will be eligible
- **$1 billion** tribal broadband fund.
- **$250 million** in FCC telehealth funding
- **$65 million** to complete the FCC broadband maps for the government to effectively disperse funding to the areas that need it most.
- **$2 billion** for 'rip n replace' to small telecommunication providers to rip out Huawei/ZTE equipment to replace it with secure equipment
- **$300 million** grant program to fund broadband in rural areas (getting more details)

U.S. Department of Agriculture (USDA) has several potential programs that would fund Broadband expansion opportunities. The most important of these is the **Reconnect Program** which is now in its second round of funding. Details of the program can be found here: https://www.usda.gov/reconnect/program-overview

We are anticipating the third round of $550M available to be divided in three categories- 100% grant, 50/50 grant loans, and 100% loans. Each of these categories have slightly different criteria. This year Axiom was a significant contributor to two pending Reconnect applications.

- Extremely difficult to apply for with lots of different document and eligibility requirements
- Most importantly, only 10% of homes in the proposed service area can have the capability of getting service of 10/1Mbps or higher
- Even in the 100% grant, the municipality or applicant is required to have a 25% cash match

After looking through the program overview and other details, please contact Mark Ouellette, the author of this report, as he is familiar with this opportunity and can try to answer questions- mark@connectwithaxiom.com. Also available is the USDA Regional staff, Tim Brooks- timothy.brooks@usda.gov.

USDA-RUS Programs offer a number of other potential opportunities to investigate located here: https://www.rd.usda.gov/programs-services/all-programs/telecom-programs. By far the easiest is the Distance Learning and Telemedicine Grants.

U.S. Department of Commerce- **Economic Development Administration (EDA)** provides funding for economic development projects across the state of Maine. Maine projects are reviewed and administered by EDA's local representative, Alan Brigham at (215) 316-2965 or abrigham@eda.gov. Programs and eligibility can be found at www.eda.gov.

- Various funding programs
- Guidelines encourage regions to incorporate BB investments in their regional strategies (CEDS)
- Funding requires match

U.S. Department of Commerce- **Broadband USA** is helping communities nationwide ensure they have the broadband infrastructure, digitally literate workforce and engaged citizens to thrive in the Digital Economy. Details can be found here: https://www2.ntia.doc.gov/

- Provides direct (one-to-one) assistance to communities
- Resource rich website- no direct grants
- Building a self-assessment tool for community