CONNECTMAINE

April Meeting Minutes

27 April 2022

10:00 A.M.

Recording: https://networkmaine.zoom.us/rec/share/
4ssOKRy90dwkIZhPDQ96Kxcy4a3i3xJV6--BGlT_yGaBfvqnImhLZZ86XfreD9MC.
6-3BiKwstQF1qoD-?startTime=1651068092000

Authority Members
Nick Battista, Chair
Jasmine Bishop
Fred Brittain
Susan Corbett
Heather Johnson
Jeff Letourneau
Liz Wyman

Introductions of Members and Staff
Nick Battista, Jeff Letourneau, Susan Corbett, Fred Brittain, Liz Wyman, Heather Johnson, Peggy Schaffer, Stephenie MacLagan

Meeting Kickoff
Gratitude for service of Stephenie MacLagan—Nick

Notes of Last Meeting
Approval of the minutes: Fred motioned, Susan 2nd, Heather & Jeff abstained: 4:0

Review of Operations
Executive Director's Report—Peggy

- Statewide impact of Community Broadband Planning Support Program

Incredible engagement in community boosters and community of practice.

- Debrief DC Trip and collaborations with the Maine Connectivity Authority

NTIA is working really hard to ensure states have resources to deploy broadband.

- Announce Connect the Ready - Mountains to Sea Broadband Infrastructure Projects

NTIA awarded ConnectMaine a $28 million grant toward these projects that will bring broadband to nearly 15,000 in Maine.

Financial Report—Stephenie & Peggy

- Review report from end of quarter three

Assessment revenue increase starting to show. Yet to expend all NECEC. Uptick in bond spending, and anticipation of the next group of grant recipients. NTIA spending will start once the 6-month budget is approved by the federal government.

Budgeting and planning the required federal assessments for the Connect the Ready projects is underway. Staff continues to monitor and support these processes.

Decisions on Programs

Updates on programmatic timelines—Staff & Nick

- Debrief research and RFP on support program for Broadband Utility Districts

The request for proposals was reviewed by assistant attorney general, but at this time it may make more sense for MCA to issue this RFP instead of ConnectMaine.

- Debrief joint staff meetings with Maine Connectivity Authority

Staff will meet on May 12 to plan the transition of programming from ConnectMaine to MCA. A plan and any needed memorandum of understanding needed will be presented at the next ConnectMaine Authority meeting. Chairs will be joining the meeting on the 12th and one mechanical piece is how to continue the operational responsibilities of ConnectMaine as staff transition.

- Discuss timelines for programs from this fiscal year into next

The transition plans are still developing, including the meeting on the 12th. An objective of transition programming will be to avoid disruption. In part to ensure that continuity, Stephenie will be part of this transition, from ConnectMaine to MCA in May.

Initial programs to transition to MCA could be the Community Broadband Planning Support Program, including BUDs. While Startup Grants will continue from ConnectMaine for now, the next application window for Community Broadband Planning Grants will likely be under MCA or in another form as determine during the transition planning. Infrastructure grants program will be refined with the MCA before the next application window opens later this year.

Board Discussion

- Liz: Would it be appropriate to hear from Andrew Butcher?

Andrew: It's going really well, with daily calls to Peggy; great to join in DC. Goal is how to optimize structure for greatest impact. Communication and trust have been really strong.

Peggy: Reflecting, in 2019 we had a $550,000 grant round, this one is $15 million and the next will even larger, all before the really big funds from the federal government. We have to work together to ensure readiness for that. All our state broadband partners have been helpful in scaling and will continue to be.

Consider awards from the Broadband Infrastructure Grants Program—Staff & Nick

- Review memorandum about the process and recommended awards

ConnectMaine grants programs have really evolved in recent years from simply issuing award letters to instituting real contracts, reporting and accountability measures. This was important when we went from awarding six figures to passing the $15 million bond in 2020. This process of improvement has continued. Stakeholder engagement occurred last year to confirm program objectives and set new processes.

The memo and presentation walk through these and this grants window. One major improvement in this application window was avoiding the creation of outliers, roads or locations that won't be served due to being left out of proposed project areas. Recommended awards are listed in the memo.

- Discuss next steps

Staff of both organizations are paying attention to the obstacles of the grants process for future improvements and continued stakeholder engagement this summer. There are many projects where we know broadband is needed, but at least we know more funds are coming. Even ConnectMaine knew how tough this process is, having to do extensive back and forth with NTIA for that grant award.

Individual outreach will occur to all applicants within the next week. The memo and presentation will be posted on the website with the draft minutes later this week.

Approval of awarding grants as recommended by staff: Jeff motioned, Liz 2nd, Susan abstained, 5:0

Board Discussion

- Nick: Great to see the diversity of grant recipients.
- Jeff: It's phenomenal to see the state of this program versus several years ago.
- Heather: It's great to see how we've learned about outliers and can now avoid that.

Decisions on Operations

Confirm the firm for FY22 audit—Stephenie

- Discuss renewing contract with Wipfli for FY22 auditing

This is the same firm we contracted with last year. They reached out to see if we wanted to renew with them this year. Gathering of raw materials would need to start in August.

Approval of renewing contract with Wipfli: Susan motioned, Jeff 2nd, 5:0

Board Discussion

- Nick: Still possibilities or needs to be working closely with MCA through this.

Consider recommendations for FY23 Budget—Staff & Nick

- Review memorandum about priorities and draft budget

While ConnectMaine will be a somewhat different state, a budget still needs to be approved. This memo describes the direction; looking for feedback before drafting the budget to be approved at a future ConnectMaine meeting.

While we have looked at moving various funds or programs over to MCA, there more efficiency in leaving them with ConnectMaine, e.g., NTIA grant. We'll continue to converse and plan thoughtful transitions, e.g., meeting on the 12th.

ConnectMaine still has responsibilities and oversight of funds, but that MCA taking the lead on new initiatives makes a lot of sense. ConnectMaine will have to cover some of the costs of MCA staff helping with continued operations post August.

Board Discussion

- Jeff: Appreciation for working through the messiness of transitions. What is the timeline for the NTIA grant?

Peggy: The projects should be completed by October 2023, and it is a 12-month grant.
Stephenie: NBRC is on the same timeline.

Other Business

Reschedule May meeting—Peggy

- Conference conflict
- Shift May meeting from 25th to June 1.

No Public Comments

Approval of adjournment: Susan motioned, Liz 2nd, unopposed

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Emergency Meeting Minutes

9 March 2022

11:00 A.M.

Recording: https://networkmaine.zoom.us/rec/share/epgeIkMgcJvR7mB5Y1xTnRDAs0PIwW7qRGI-e18KvAl8ZZnSD0gOlNMB7SEtHlkJ.pd15JAb7GrubqYOE

Authority Members
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Introductions of Members and Staff
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Decisions on Operations
Consider sole source contract for administration of NTIA Grant—Nick & Peggy

- Debrief circumstance for contract and purpose of Grants Verification & Validation
$28 million grant awarded. Grant agreement has to be returned to NTIA, so needing a vote to ensure capacity for administration. The agreement also includes a 6-month budget for the projects that'll get started. The grant must be expended within a year. The administrative costs of this grant were estimated to be up to $1.3 million.
The team that was engaged to support the application process was Tilson Technology & VETRO. Based on the need and urgency for support on administration of this grant, seeking to contract with Tilson. NTIA reimbursement will only be for actual expenses. NTIA is planning to visit Maine in April, and considering Isle au Haut, details to come.

- Review Policies & Procedures
The urgency gives ConnectMaine the basis to do a sole source contract with Tilson. AAG has reviewed the grant agreement. Staff will also run the contract by Emily.
Vote to approve a sole source contract for administration of the NTIA Grant funded projects:
Fred motioned, Susan 2nd, 5:0
No Board Discussion

Consider contracting for administrative support on ReConnect—Peggy

- Debrief background on supporting communities applying to USDA
ConnectMaine supported three projects, and these communities have been struggling. Staff is investigating the administrative cost, to bring a proposal forth at the March meeting.
No Board Discussion

Approval of adjournment: Jasmine motioned, unopposed

CONNECTMAINE

Executive Director's Report

27 April 2022

Peggy Schaffer, Executive Director

Authority Members
Nick Battista, Chair
Jasmine Bishop
Fred Brittain
Susan Corbett
Heather Johnson
Jeff Letourneau
Liz Wyman

Local and regional planning support

The Director met with the new owner of UniTel, who has a plan to finish out their footprint and then begin building into adjacent towns. They have been working with the Southwest Waldo County Group, the broadband committee in China and with Waldoboro.

The Community of Practice has 12 active members is meeting monthly, sharing ideas and strategies around community planning, infrastructure and digital inclusion. This is an amazing group of people, and the work our regional partners are doing is going to pay off as the federal funds and planning for the CPF, BEAD, and DEA come online late this spring.

Sunrise County Economic Development is hosting a Broadband Boot Camp, and people from the boot camp are also joining the weekly "Lets Talk Broadband" meetings hosted by the Island Institute. Additional research into support for broadband utility districts has continued, but staff planned to hold off on any new or expanded programming for now.

Maine Broadband Coalition and AARP is working on developing stronger community planning efforts in Piscatquis County. They have identified two possible people to serve as a Community Booster and invited them to attend the Community of Practice. Andrew and I joined MBC and Island Institute for a zoom call and everyone on the call was well under 30. It was a great sight to see!

Active grant awards

We have had four communities apply for startup grants since February. The awardees from the last planning grants window have hit the ground running, and staff met with the unsuccessful applicants to assist them in their next steps. We continue to have conversations with most current, and several past awardees including The Eastern Slopes, Co-Lab, Mahoosic, Greater Franklin, Somerset, Lincoln county and others. There is lots of great stuff happening. This month, the Schoodic Pennisula came in for start up grants. This is the first time we have had any local interest from that area of Hancock County.

Far fewer disbursements of infrastructure grants were made over the last two quarters than expected, and all grant recipients will be required to submit quarter four progress reports with spending reports in order to request disbursements before the end of the fiscal year. Most delays are due to pole processes. It's expected that two to five of the 15 active projects could be completed by then.

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Staff and program management
A total of 23 applications for broadband infrastructure grants, totaling over $30 million in grants. Despite having the grant opened for 60 days, only a couple applications were deemed complete upon submission. The review team worked hard over the course of the evaluation period to remediate as many applications as possible, even meeting with applicants to walk through the process and demonstrate what they needed to do to apply. The remediation process for grants was very active, with the grants team working diligently to make sure as many as possible were able to revise their applications to meet the requirements of the program and be evaluated. It was a significant lift for both the industry and our grants team. We deeply appreciate the patience and forbearance of applicants to revise their applications. Lessons learned will be applied in refining the program for future application windows. Continuous learning and revising is part of all grant efforts, this included. There's an agenda item to discuss recommendations for awarding grants, and a memo with details about these.

We continue to work very closely with Maine Connectivity Authority as the President ramps up with his federal applications and job descriptions. The MCA board approved a framework for the Capital Projects Fund, which includes a significant amount of funding for last-mile grants for an application window come midsummer. That program will result from refining the ConnectMaine infrastructure grants program to meet the federal guidelines and CPF requirements. Ahead of that refinement, there could be improvements and expanded access to the Broadband Intelligence Platform.

ConnectMaine and MCA have also been working on transitioning ConnectMaine programs to MCA over the next 3-4 months. We are meeting with MCA's legal counsel to look through the statutes, to continue planning how to maintain momentum, monitoring and other activities as we begin to move some activities over to MCA. There is an agenda item to discuss this further, and any action will need approval by both boards. While the path forward is clear, there are many more steps to take, navigating state & federal requirements.

Federal funds
NTIA awarded our grant at the end of February. $28 million plus matching funds will connect nearly 15,000 locations in seven different areas of the state from the mountains to the sea. The three internet service providers included in our covered partnership will be expanding broadband infrastructure either community-wide or leveraging adjacent RDOF areas, so that broadband service will be available in these areas by spring 2023 at the latest. NTIA leadership. Andy Berke visited Maine on the 4th to announce the grants, in Blue Hill, and chartering the Ferry to get to Isle au Haut on a perfectly sparkling day, complete with warm MCA beanies! The Blue Hill event was attended by about 70 engaged community members, ISPs partners and the Governor, Commissioner and Congressional staff. We have submitted our 6-month budget on the forms used for the grant: We will be resubmitting using new categories and timeframes, based on NEPA and NHPC requirements.

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Partnership activities

The MCA president and I went to DC to meet with NTIA and the State Broadband Leaders Network. It was two days packed with sessions from NTIA programs, Digital Equity, Middle Mile, FCC mapping and challenges, updates from other states and partners. We are beginning to talk with our New England neighbors about potential shared services and purchases. We offered to host the next SBLN meeting in Maine, but there is consternation about distance for the territories, HI and Alaska. ☹

The Director has been on several programs with Community Nets including Connect This!, and Building for Digital Equity - Demystifying Broadband Policy and Funding. Both conversations were on the Maine model of community planning/Coalition building. The Director also was on a panel with DBU's Danny Sullivan, Sean Daye and Charline Cates from Machias Saving on how local banks can be engaged in community broadband planning and digital inclusion., and a SHBL session on how states are using CPF funds. We presented with MCA at a PEW training and support for State broadband leaders on community engagement. The Director is also on panels at Mountain Connect in CO and 3 panels for the Broadband Community Summit in Houston in early May.

ConnectMaine Authority Financials

FINANCIALS	DETAIL	PROPOSED	OBLIGATED	ENCUMBERED	Q3	Q4	ACTUAL	REMAIN
REVENUE	Carryforward, includes Assessment Withdrawal	$886,455.65	$1,927,088.14	$1,927,088.14	$631,340.24	$0.00	$1,927,088.14	
Fund	Assessment Fees, etc.	$3,050,000.00	$4,743,000.00	$724,325.16	$635,033.50	$0.00	$1,994,185.53	$1,453,046.10
State	Refunds, excludes Assessment Withdrawal	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
SUBTOTAL		$3,936,455.65	$6,670,088.14	$2,651,413.30	$1,266,373.74	$0.00	$3,921,273.67	$1,453,046.10
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EXPENSES								
Financial	DAFS, Solix, audit, bank charges	$81,600.00	$71,600.00	$57,900.00	$10,074.00	$0.00	$58,047.36	$11,378.00
Website	InforME, OIT & Sewall	$79,275.00	$79,275.00	$28,275.00	$23,176.80	$0.00	$29,800.45	$49,474.55
Administration	Salaries, etc.	$263,563.00	$263,153.87	$64,155.64	$73,681.17	$0.00	$210,106.69	$64,155.64
Cellphones		$1,080.00	$1,080.00	$90.00	$243.60	$0.00	$735.40	$344.60
Travel	Central Fleet, etc.	$3,000.00	$3,000.00	$44.71	$116.43	$0.00	$249.50	$2,750.50
Operational Services	subscriptions, conferences	$21,300.00	$4,192.08	$3,992.08	$1,008.68	$0.00	$1,508.68	$19,791.32
Support Services	excluding technical and intelligence	$376,500.00	$146,860.20	$67,606.45	$1,137.50	$0.00	$67,606.45	$257,893.55
Technical Services	grants verification & validation	$177,775.00	$1,394,318.75	$146,331.25	$12,206.25	$0.00	$60,331.25	$1,333,987.50
Broadband Intelligence	data collection, analysis & mapping	$900,000.00	$933,687.64	$735,979.72	$5,274.66	$0.00	$699,475.30	$234,212.34
Research Services	business models & ROI evaluations	$250,000.00	$140,000.00	$2,975.00	$1,575.00	$0.00	$1,575.00	$248,425.00
Planning Grants		$346,125.00	$329,844.48	$196,019.48	$130,500.00	$0.00	$193,519.48	$152,605.52
Planning Services	including community mapping services	$200,000.00	$212,500.00	$10,350.00	$0.00	$0.00	$10,350.00	$189,650.00
Digital Inclusion		$100,000.00	$29,000.00	$0.00	$0.00	$0.00	$0.00	$0.00
Grant Matches		$750,000.00	$50,000.00	$0.00	$0.00	$0.00	$0.00	$0.00
Infrastructure Fund	separate from restricted grants	$225,312.50	$75,000.00	$75,000.00	$0.00	$0.00	$75,000.00	$150,312.50
Miscellaneous	covers likely deviations	$50,000.00	$42.00	$42.00	$403.18	$0.00	$963.82	$19,036.18
TOTAL		$3,825,530.50	$3,733,554.02	$1,388,761.33	$259,397.27	$0.00	$1,409,269.38	$2,734,017.20
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BALANCE		$110,925.15			$1,006,976.47	$0.00	$2,512,004.29	$1,231,033.19

ConnectMaine Authority Financials
FY22 Solix ConnectME Fund

FINANCIALS	DETAIL	PROPOSED	OBLIGATED	ENCUMBERED	Q3	Q4	ACTUAL	REMAIN
REVENUE	Carryforward	$381,041.70	$1,143,865.22	$1,143,865.22			$1,143,865.22	
Fund	Assessment Fees	$1,800,000.00	$2,195,000.00		$433,848.52		$1,267,628.74	$927,371.26
NBRC	excludes match	$1,250,000.00	$1,250,000.00	$724,325.16	$200,519.86	$0.00	$724,325.16	$525,674.84
NTIA	excludes match & infrastructure	$0.00	$1,298,000.00	$0.00	$0.00	$0.00	$0.00	
Interest		$0.00			$665.12		$2,231.63	
SUBTOTAL		$3,431,041.70	$5,886,865.22	$1,868,190.38	$635,033.50	$0.00	$3,138,050.75	$1,453,046.10
EXPENSES		$0.00						
Refunds	Closures	$0.00					-$2,174.64	
Withdrawals	excluding NECEC	$0.00					$0.00	
Financial	Solix, audit, bank charges	$70,000.00	$60,000.00	$55,000.00	$7,500.00		$52,500.00	$7,500.00
Travel	future reimbursements	$0.00					$0.00	
Operational Services	subscriptions, conferences	$20,600.00	$3,492.08	$3,992.08	$1,008.68		$1,508.68	$19,091.32
Support Services	excluding technical and intelligence	$300,000.00	$121,360.20	$67,606.45	$1,137.50	$0.00	$67,606.45	$232,393.55
Technical Services	grants verification & validation	$177,775.00	$1,394,318.75	$146,331.25	$12,206.25	$0.00	$60,331.25	$1,333,987.50
Broadband Intelligence	data collection, analysis & mapping	$900,000.00	$933,687.64	$735,979.72	$5,274.66	$0.00	$699,475.30	$234,212.34
Research Services	business models & ROI evaluations	$250,000.00	$140,000.00	$2,975.00	$1,575.00	$0.00	$1,575.00	$248,425.00
Planning Grants	includes added Startup Grants	$343,625.00	$327,344.48	$196,019.48	$130,500.00		$191,019.48	$152,605.52
Planning Services	including community mapping services	$200,000.00	$212,500.00	$10,350.00			$10,350.00	$189,650.00
Digital Inclusion	including community mapping platform	$100,000.00	$29,000.00				$0.00	
Grant Matches		$750,000.00	$50,000.00				$0.00	
Infrastructure Fund	excludes bonds	$225,312.50	$75,000.00	$75,000.00			$75,000.00	$150,312.50
Miscellaneous	covers likely deviations	$30,000.00					$0.00	
TOTAL		$3,367,312.50	$3,346,703.15	$1,293,253.98	$159,202.09	$0.00	$1,157,191.52	$2,568,177.73
BALANCE		$63,729.20			$475,831.41	$0.00	$1,980,859.23	$1,115,131.63

ConnectMaine Authority Financials

FY22 State Account

FINANCIALS	DETAIL	PROPOSED	OBLIGATED	ENCUMBERED	Q1	Q2	Q3	ACTUAL	REMAIN
REVENUE	Carryforward	$505,413.95	$783,222.92		$783,222.92	$709,960.02	$631,340.24	$783,222.92	
Fund	Assessment Withdrawal	$0.00							
Refunds		$0.00							
SUBTOTAL		$505,413.95	$783,222.92		$783,222.92	$709,960.02	$631,340.24	$783,222.92	
–									
EXPENSES									
Financial	DAFS	$11,600.00	$11,600.00	$2,900.00	$2,574.00	$2,574.00	$2,574.00	$7,722.00	$3,878.00
Website	InforME, OIT & Sewall	$79,275.00	$79,275.00	$28,275.00	$406.52	$6,217.13	$23,176.80	$29,800.45	$49,474.55
Administration	Salaries, etc.	$263,563.00	$263,153.87	$64,155.64	$69,947.46	$66,478.06	$73,681.17	$210,106.69	$64,155.64
Cellphones		$1,080.00	$1,080.00	$90.00	$246.56	$245.24	$243.60	$735.40	$344.60
Travel	Central Fleet	$3,000.00	$3,000.00	$44.71	$88.36	$44.71	$116.43	$249.50	$2,750.50
Operational Services	subscriptions, conferences	$700.00	$700.00					$0.00	$700.00
Support Services	program & technical, data & maps	$76,500.00	$25,500.00					$0.00	$25,500.00
Planning Grants		$2,500.00	$2,500.00	$0.00		$2,500.00		$2,500.00	$0.00
Miscellaneous	covers likely deviations, rule ads	$20,000.00	$42.00	$42.00		$560.64	$403.18	$963.82	$19,036.18
TOTAL		$458,218.00	$386,850.87	$95,507.35	$73,262.90	$78,619.78	$100,195.18	$252,077.86	$165,839.47
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BALANCE		$47,195.95	$396,372.05		$709,960.02	$631,340.24	$531,145.06	$531,145.06	-$365,305.59

ConnectMaine Authority Financials
NECEC Broadband Fund

FINANCIALS	DETAIL	PROPOSED	OBLIGATED	ENCUMBERED	Q1	Q2	Q3	ACTUAL	REMAIN
REVENUE	Carryforward	$1,000,533.46			$1,000,533.46	$1,001,195.43	$2,001,807.94	$1,000,533.46	$0.00
NECEC		$0.00	$1,000,000.00	$1,000,000.00		$1,000,000.00		$1,000,000.00	$0.00
Interest					$661.97	612.51	$675.24	$1,949.72	
SUBTOTAL		$1,000,533.46	$1,000,000.00	$1,000,000.00	$1,001,195.43	$2,001,807.94	$2,002,483.18	$2,002,483.18	$0.00
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EXPENSES									
Withdrawals	Maine Connectivity Authority	$1,000,533.46						$0.00	$1,000,533.46
Planning Assistance		$0.00						$0.00	$0.00
Digital Inclusion	affordability program	$0.00						$0.00	$0.00
Infrastructure Grants	matches or direct allocations	$0.00	$1,000,000.00	$1,000,000.00			$1,000,000.00	$1,000,000.00	$0.00
Infrastructure Loans		$0.00						$0.00	$0.00
Miscellaneous	covers likely deviations	$0.00						$0.00	$0.00
TOTAL		$1,000,533.46	$1,000,000.00	$1,000,000.00	$0.00	$0.00	$1,000,000.00	$1,000,000.00	$1,000,533.46
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BALANCE		$0.00			$1,001,195.43	$2,001,807.94	$1,002,483.18	$1,002,483.18	-$1,000,533.46

ConnectMaine Authority Financials
FY22 State Bond Spending

FINANCIALS	DETAIL	PROPOSED	OBLIGATED	ENCUMBERED	Q1	Q2	Q3	Q4	ACTUAL	REMAIN
REVENUE	Carryforward	$2,000,000.00	$2,000,000.00	$211,000.00	$211,000.00	-$27,986.96	$2,757,423.04		$211,000.00	$1,789,000.00
Bonds	FY21	$13,000,000.00	$3,000,000.00	$9,289,000.00	$1,789,000.00	$3,000,000.00	$0.00		$4,789,000.00	$8,211,000.00
Interest							$736.21		$736.21	-$736.21
SUBTOTAL		$15,000,000.00	$5,000,000.00	$9,500,000.00	$2,000,000.00	$2,972,013.04	$2,758,159.25	$0.00	$5,000,736.21	$9,999,263.79
EXPENSES										
Bond Fees	includes interest refunded	$10,000.00		$736.21					$0.00	$10,000.00
Infrastructure Bond		$14,990,000.00	$2,027,986.96	$3,531,326.96	$2,027,986.96	$214,590.00	$1,288,750.00		$3,531,326.96	$11,458,673.04
TOTAL		$15,000,000.00	$2,027,986.96	$3,532,063.17	$2,027,986.96	$214,590.00	$1,288,750.00	$0.00	$3,531,326.96	$11,468,673.04
BALANCE		$0.00			-$27,986.96	$2,757,423.04	$1,469,409.25	$0.00	$1,469,409.25	$1,469,409.25

ConnectMaine Authority Financials
Northern Borders Regional Commission Grant

FINANCIALS	DETAIL	PROPOSED	OBLIGATED	ENCUMBERED	Q1	Q2	Q3	ACTUAL	REMAIN
REVENUE	Carryforward	$77,775.00	$46,318.75	$46,318.75					
NBRC	excludes match	$1,250,000.00	$1,250,000.00	$724,325.16	$481,215.90	$42,589.40	$200,519.86	$724,325.16	$525,674.84
Match	From ConnectME Fund	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
SUBTOTAL		$1,327,775.00	$1,296,318.75	$770,643.91	$481,215.90	$42,589.40	$200,519.86	$724,325.16	$525,674.84
EXPENSES									
Broadband Intelligence	data collection, analysis & mapping	$900,000.00	$900,000.00	$702,292.08	$485,174.05	$175,338.95	$5,274.66	$665,787.66	$234,212.34
Technical Services	grants verification & validation	$177,775.00	$146,318.75	$146,331.25	$24,456.25	$23,668.75	$12,206.25	$60,331.25	$85,987.50
Research Services	business models & ROI evaluations	$250,000.00	$140,000.00	$2,975.00			$1,575.00	$1,575.00	$248,425.00
TOTAL		$1,327,775.00	$1,186,318.75	$851,598.33	$509,630.30	$199,007.70	$19,055.91	$727,693.91	$568,624.84
BALANCE		$0.00	$110,000.00					$3,368.75	$42,950.00

ConnectMaine Authority Financials
NTIA Public Private Partnership and Tribal Grants

FINANCIALS	DETAIL	PROPOSED	OBLIGATED	ENCUMBERED	Q1	Q2	Q3	ACTUAL	REMAIN
REVENUE	Carryforward								
NTIA	excludes match		$28,097,295.00					$0.00	$0.00
Match	From ConnectME Fund	$700,000.00	$5,531,621.00			$0.00	$0.00	$0.00	$700,000.00
SUBTOTAL		$700,000.00	$33,628,916.00	$0.00	$0.00	$0.00	$0.00	$0.00	$700,000.00
—									
EXPENSES									
Support Services	excluding technical and intelligence	$20,000.00	$100,000.00	$57,356.25	$40,468.75	$15,750.00	$1,137.50	$57,356.25	$42,643.75
Broadband Intelligence	data collection, analysis & mapping	$30,000.00	$33,187.64	$33,187.64	$28,701.39	$4,486.25		$33,187.64	$0.00
Technical Services	grants verification & validation		$1,248,000.00						
Research Services	business models & ROI evaluations	$0.00	$0.00						
Infrastructure PPP			$32,330,916.00						
TOTAL		$50,000.00	$33,712,103.64	$90,543.89	$69,170.14	$20,236.25	$1,137.50	$90,543.89	$42,643.75
—									
BALANCE			$83,187.64				$1,137.50	$90,543.89	

CONNECTMAINE Authority

Broadband Infrastructure Grants, 27 April 2022

Peggy Schaffer & Stephenie MacLagan, Staff

Objectives

- Leverage Investments: Maximize investment in broadband infrastructure; aim to correct market failures due to low premise density
- Seek Regional Equity: Balance investment incentives and regional equity
- Recognize Community Visions: Align with community visions and goals
- Favor Future-Proof Networks: Fund forward-looking, scalable infrastructure that provides ubiquitous, universally available broadband
- Advance Digital Equity and Inclusion: Consider price; no grant for data caps; all projects funded must include one for income-eligible individuals

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Leverage Investments: Maximize investment in broadband infrastructure and maximize opportunities to leverage resources and funding from other sources to support deployment of broadband infrastructure; aim to correct market failures due to low premise density

Seek Regional Equity: Balance awards in consideration of investment incentives and regional equity; create a geographically equitable distribution of projects around the State

Recognize Community Visions: Align with community visions and goals for economic development, education, civic engagement and healthcare

Favor Future-Proof Networks: Fund forward-looking, scalable infrastructure that provides ubiquitous, universally available broadband service, with sufficient capacity for future growth for the greatest number of years, giving preference to projects providing symmetrical service.

Advance Digital Equity and Inclusion: Consider projects that propose the lowest price for the highest quality of service of the lowest service level offering; no grant will be awarded for proposed projects that allow data caps on service provided; all projects funded must result in providing standardized tiers of service, including one for income-eligible individuals

Changes From Prior Application Windows

2021 Process
- Two-track application
- Applicant-designed project areas
- Scoring that favored cost-benefit without consideration of density
- Confusing application materials
- Document sharing and storage
- Grants Verification & Validation was new

2022 Process
- One-track with preference groups
- Eligible project areas proposed
- Weights instead of points with cost-benefit as the base
- Application Guide and requests for additional information
- Online Grants Portal
- Integration of BIP

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The refinements allowed ConnectMaine to achieve goals of encouraging universal service and supporting smaller projects with a new evaluation process instead of two tracks.

To prevent any unserved staying unserved, project areas are proposed in which all unserved must be served.

Instead of straight up scoring, which overwhelming favored cost-benefit above all else, the evaluation process will include weighting the initial cost-benefit with other criteria.

Instead of the evaluation criteria being sprinkled through the application, the application guidance combines the evaluation process in one section. ConnectMaine also used more extensive back and forth with applicants, requesting additional information as part of the evaluation process.

Instead of obtaining and submitting the application by email, a grants portal will lead potential applicants through the process where they'll upload files in one place.

Evaluation Process

- 20 March – application window closed
- 22 March – applications, excluding data and maps, available for review
- 29 March – data and maps fully transferred for review
- Requests for additional information from applicants sent
- Additional information reviewed, and follow up requests sent
- 12 April – final requests on most complete applications were sent
- 19 April – final reviews began to draft recommendation
- 27 April – ConnectMaine Authority decisions on awards

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Over 20 applications for grants, totaling over $30 million in grants. Despite having the grant opened for 60 days, only a couple applications were deemed complete upon submission. The review team worked hard over the course of the evaluation period to remediate as many applications as possible, even meeting with applicants to walk through the process and demonstrate what they needed to do to apply. With the refinements to the program listed above, evaluation of applications included a much deeper dive into the financials and high-level network designs to identify risks, cost reasonableness and any potential subscribers in unserved areas excluded from the project making them outliers to

future broadband service.

Commonalities in the reviews of applications included insufficient network designs, project costs or budget details, information about financial commitment sources, and narratives to tie together project areas and network designs. Common concerns about eligibility included the eligible project area focus, eligible project costs, complete network designs and community engagement elements of the application

Eligible Expenses

- One-time capital improvement costs
- Directly related to improving internet services
- No expenses incurred prior announcement of grant award
- No administrative and fundraising activities, computers and other office equipment
- No vehicles
- No equipment owned or leased by the subscriber, including routers, modems and any other costs beyond the network interface points
- No operating expenses

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The Application Guide listed eligible project costs, and the process for applying for eligible project areas and describing project focus. Part of the new tools in the application process is intended to ensure applications can be evaluated on even playing fields, apples to apples. Consistency across application materials, and use of the Narrative to demonstrate standards in any inconsistency, were necessary to meet applicant and project eligibility and financial standards in the review process.

Project Scope

Project Focus
- Project scope and density
- Costs, such as connections to actual subscribers
- Explanation of any locations classified unserved that were excluded in FiberMap

Eligible Project Areas
- Select an eligible project area
- Optionally include locations classified as underserved or served
- Exclude any locations classified as unserved as allowed by the Application Guide

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As mentioned, a big change with this application process is that ConnectMaine proposed eligible project areas, of which applicants select one or more. The locations classified as being in unserved areas are estimates, but this helps ConnectMaine evaluate applications, comparing apples to apples. The performance requirement is that all actual locations in unserved areas would be served by the proposed project. The Narrative could be used to explain the project focus where it differs from the project areas identified in FiberMap, but the numbers from FiberMap needed to be consistent with Data Form, because it is also an application element that doubles as the evaluation tool, to compare applications apples to apples.

Network Design

Network & Technical Details
- Technology that support services
- How the technology is upgradeable
- How proposed costs are reasonable
- Technical standards to be used
- How infrastructure is interconnected
- Additional information for wireless

Network Design
- High-level network design created or imported into FiberMap
- Fiber routes and fiber strand count
- Show the interconnection

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To help demonstrate the first and fourth program objectives, the high-level network design required at a minimum, fiber routes and fiber strand count as an attribute, and show the interconnection with existing networks. Without these elements being addressed in the Network Design or Narrative, the application couldn't meet technical standards in the review process.

Community Engagement

Application Narrative:
- Unique, widespread community engagement
- Participation in broadband planning programs
- Communities uniquely supportive of the proposed project

Optional elements:
- Community applicant
- Community financial commitment
- Community ownership

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Recognizing community visions rose as one of the objectives in developing the grants program. The practice of encouraging communities and ISPs to partner on proposed projects was intentionally continued. Demonstrating community engagement was built into the Application Narrative

Return to Memo

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As the evaluation period ended, the complete and most compliant applications were considered for final remediation requests to applicants, maintaining the goal of awarding grants at the April meeting. After this extensive back and forth with applicants, enough of them were successful in demonstrating program objectives and meeting standards to award nearly all funds available. Significant work with applicants beyond the time available would have been required to remediate the remaining applications. Recommendations…

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Broadband Infrastructure Grants

27 April 2022

Recommended Awards

Authority Members
Nick Battista, Chair
Jasmine Bishop
Fred Brittain
Susan Corbett
Heather Johnson
Jeff Letourneau
Liz Wyman

Background

The ConnectMaine Authority awards infrastructure grants to support investments in expanding the availability of broadband service. Currently, preference is given to projects that propose the greatest relative improvement to existing internet service in least served areas of Maine. On January 12, ConnectMaine opened this application window, with plans to award the remaining bond funds, approximately $6.8 million and funds from the Maine Connectivity Authority, up to $10 million additionally dedicated.

Based on extensive stakeholder engagement since fall 2020, ConnectMaine set the following objectives for the infrastructure grants program:

- Leverage Investments: Maximize investment in broadband infrastructure and maximize opportunities to leverage resources and funding from other sources to support deployment of broadband infrastructure; aim to correct market failures due to low premise density
- Seek Regional Equity: Balance awards in consideration of investment incentives and regional equity; create a geographically equitable distribution of projects around the State
- Recognize Community Visions: Align with community visions and goals for economic development, education, civic engagement and healthcare
- Favor Future-Proof Networks: Fund forward-looking, scalable infrastructure that provides ubiquitous, universally available broadband service, with sufficient capacity for future growth for the greatest number of years, giving preference to projects providing symmetrical service
- Advance Digital Equity and Inclusion: Consider projects that propose the lowest price for the highest quality of service of the lowest service level offering; no grant will be awarded for proposed projects that allow data caps on service provided; all projects funded must result in providing standardized tiers of service, including one for income-eligible individuals

Based on continued engagement, learning from the last application process and rulemaking since, ConnectMaine incorporated recommendations into this application window:

- A single track for all applications, including community and provider applicants, including community-driven and provider expansion projects
- New designation of broadband service, and performance criteria for awarded projects
- New designations of unserved and underserved areas, and eligibility criteria for project areas
- New application evaluation process that uses preference criteria and a weighting system, and uses the ability to request additional information from applicants more extensively
- For preparing and submitting applications, systems and tools include an online Grants Portal, a web-based FiberMap, an Application Data Form, and other separate files

Process

Over 20 applications for grants, totaling over $30 million in grants. Despite having the grant opened for 60 days, only a couple applications were deemed complete upon submission. The review team worked hard over the course of the evaluation period to remediate as many applications as possible, even meeting with applicants to walk through the process and demonstrate what they needed to do to apply. With the refinements to the program listed above, evaluation of applications included a much deeper dive into the financials and high-level network designs to identify risks, cost reasonableness and any potential subscribers in unserved areas excluded from the project making them outliers to future broadband service. This more extensive evaluation process also used more back and forth with applicants than in the past, using authority to request additional information toward evaluating applications.

Commonalities in the reviews of applications included insufficient network designs, project costs or budget details, information about financial commitment sources, and narratives to tie together project areas and network designs. Common concerns about eligibility included the eligible project area focus, eligible project costs, complete network designs and community engagement elements of the application:

- Recognizing community visions rose as one of the objectives in developing the grants program. The practice of encouraging communities and ISPs to partner on proposed projects was intentionally continued. Demonstrating community engagement was built into the Application Narrative.
- To help demonstrate the first and fourth program objectives, the high-level network design required at a minimum, fiber routes and fiber strand count as an attribute, and show the interconnection with existing networks. Without these elements being addressed in the Network Design or Narrative, the application couldn't meet technical standards in the review process.
- The Application Guide listed eligible project costs, and the process for applying for eligible project areas and describing project focus. Part of the new tools in the application process is intended to ensure applications can be evaluated on even playing fields, apples to apples. Consistency across application materials, and use of the Narrative to demonstrate standards in any inconsistency, were necessary to meet applicant and project eligibility and financial standards in the review process.

As the evaluation period ended, the complete and most compliant applications were considered for final remediation requests to applicants, maintaining the goal of awarding grants at the April meeting. After this extensive back and forth with applicants, enough of them were successful in demonstrating program objectives and meeting standards to award nearly all funds available. Significant work with applicants beyond the time available would have been required to remediate the remaining applications.

Recommendations

After excluding ineligible projects and applications that failed to meet standards even after additional information was submitted, a total of 8 projects are recommended for awards totaling $15,028,357 in grants. Staff plans on extensive follow up with individual applicants, to productively engage stakeholders in refining the infrastructure grants program. With the MCA preparing to refine the program to include federal requirements, this is an opportunity to improve the program, application and evaluation processes, to meet the state's broadband goals.

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Recommended Awards (Ranking by Preference Group and weighted Cost-Benefit)

Projects	Communities	ISPs	Costs	Grants	Ranking
Chebeague Island	Chebeague	Axiom Technologies	$1,655,571	$800,000	917.78 (1)
Maine West	Buckfield, Hartford, Hebron, Sumner	GWI	$8,054,943	$6,815,914	2802.8 (1)
Southport	Southport	Axiom Technologies	$2,433,465	$400,000	176.16 (2)
Princeton	Princeton	Pioneer Broadband	$784,366	$235,309	385.91 (2)
Leeds	Leeds	Axiom Technologies	$4,169,732	$2,100,000	866.8 (2)
Searsport	Searsport	Consolidated Communications	$3,029,664	$2,087,464	1148.33 (2)
Cooper	Cooper	Pioneer Broadband	$639,776	$400,000	1149.56 (2)
Northport	Northport	GWI	$2,938,043	$2,189,670	4173.14 (2)
Totals	**11**	**4**	**23,705,560**	**15,028,357**	**8**

Other Applications (Results include elements of incompleteness or ineligibility)

Projects	Communities	ISPs	Results
Abbot	Abbot	PCB	Project Focus, Network Design, Financial Information
Sangerville Area	Dexter, Guilford, Parkman, Sangerville	PCB	Network Design, Financial Information, Community Engagement
Appleton	Appleton	LCI	Project Focus, Network Design
Belfast Area	Belfast, etc.	GWI	Withdrawn
Bradford Area	Bradford, Charleston	PCB	Project Focus, Financial Information
Clifton Area	Bradley, Clifton, Eddington, Holden	PCB	Project Focus, Financial Information
Franklin County	Perkins, Washington, Weld, Wilton	Matrix Connected	Applicant Information, Financial Information
Greenville Area	Beaver Cove, Greenville, Lily Bay	PCB	Project Focus, Network Design, Financial Information
Maxfield Area	Howland, Medford, Maxfield	OTELCO	Eligible Expenses, Community Engagement
Sweden	Sweden	Consolidated Communications	Community Engagement
Thorndike	Thordike	UniTel	Project Focus, Network Design
Union	Union	LCI	Network Design, Financial Information
Storer Mountain	Waldoboro	LCI	Eligible Project Area, Community Engagement
Swan's Island	Swan's Island	TDS	Network Design, Financial Information

CONNECTMAINE

FY23 Budgeting

27 April 2022

Draft Recommendations

Authority Members
Nick Battista, Chair
Jasmine Bishop
Fred Brittain
Susan Corbett
Heather Johnson
Jeff Letourneau
Liz Wyman

Background

The ConnectMaine Authority is required to include an approved budget in both its annual report and triennial strategic plan, and it's reviewed as part of the auditing process that occurs each fall. Staff considered priorities in March, resulting in this draft recommendation. For feedback from the ConnectMaine Authority, staff presents this memo of proposed budgeted and recommended priorities. A draft budget would be presented at a future meeting for approval from the ConnectMaine Authority.

Administrative Budget

The assessment and surcharge collected to generate revenue for ConnectMaine (ConnectMaine Fund) are managed by a business management company Solix, Inc. A state account also exists from which expenses are managed by staff of ConnectMaine and the Department of Administration and Financial Services, e.g., salaries and state fees.

Staff recommends maintaining the two separate accounts for another fiscal year. The fund account provides flexibility and efficiency for deploying grants and accomplishing other initiatives. This account is also used for the NBRC, NTIA and NECEC initiatives that will have carryover revenue and expenses. The state account provides convenience for expenditures such as staff salaries and collaborating on projects with other state agencies. The state account is used to payout encumbered expenses that will also carryover.

While no new, administrative expenses are anticipated, staff recommends considering potential contracting with the Maine Connectivity Authority for staff administrative support of these ongoing programs.

Northern Border Regional Commission

Administrative expenses associated with setting up the Grants Verification & Validation process, the Broadband Intelligence Platform and researching return-on-investment business models were approved under a grant from the Northern Border Regional Commission. About $500,000 remains from this multi-year grant. The auditing of infrastructure grants awarded in May 2021 will start this coming fiscal year.

National Telecommunications & Information Administration

ConnectMaine was awarded a $28 million grant under the NTIA Broadband Infrastructure Program funded by the Consolidated Appropriations Act. The grant covers $50,000 from application and all future administrative expenses: the Grants Verification and Validation process associated with those projects.

New England Clean Energy Corridor

The NECEC Broadband Fund accrued $2 million before the NECEC project stopped moving forward. This Fund is tracked separately by Solix, and it accrues interest in the account. A plan for the broadband fund must be approved by parties to the NECEC memorandum of understanding. Under that plan, $1 million has been disbursed for broadband projects in affected counties. The parties will need to make future agreements as remaining funds are carried over and released in the future.

State Bonds

A $15 million bond was passed in July 2020, but the state issues the bonds in allotments by quarter. After the May 2021 grants were awarded, a few were declined, leaving a multi-year obligation of about $8.1 million. Most of these projects are likely to be completed in the next fiscal year. The remainder of the $15 million is anticipated to be awarded in April. These bond funds are separately tracked by Solix, and accrue interest due to the delays in cash flowing to the account and out to grant recipients; that interest is paid back to the state treasury on a quarterly basis.

New Priorities

Besides the projected expenses, no new investments are recommended:

- Engagement strategy that includes the Community Broadband Planning Support Program such as data collection efforts, booster events and other support outside of grants will continue with projected expenses until new federal funds are prioritized.
- Last-mile programming, strategic planning and other support needed from consultants to effectively leverage and deploy future funds will be considered in collaboration with the Maine Connectivity Authority.
- Staffing strategy that includes continued participation in the State Broadband Leaders Network and state events such as Maine's broadband conference may also be considered in collaboration with the Maine Connectivity Authority.
- Strategizing tools that include the Broadband Intelligence Platform such as expanded data analysis and public mapping will continue with projected expenses until new federal funds are prioritized.

Balances

The existing encumbrances of the state account will continue to be closed out. The remaining balance can continue to support ConnectMaine operations, projected expenses. The balances within the fund the account managed by Solix will continue to be expended as projected, including any needed transfers of revenue to the state account, until such time the revenue sources are otherwise designated.