REQUEST FOR BOARD ACTION

HENDERSON COUNTY
BOARD OF COMMISSIONERS

MEETING DATE: March 20, 2024
SUBJECT: Broadband Taskforce
PRESENTER: Lee Stevens, Planner III
ATTACHMENTS: PowerPoint Presentation

SUMMARY OF REQUEST:

The Broadband Taskforce has reviewed the program guidance for the North Carolina Department of Information Technology (NCDIT) broadband funding programs, including the GREAT grant (Growing Rural Economies with Access to Technology), RDOF (the Rural Digital Opportunity Fund), and CAB (Completing Access to Broadband). The CAB program is currently seeking funding commitment forms and county priority areas for broadband access. These items will be included in a Scope of Work from counties across the state, and internet service providers will bid for each contract. The Taskforce has directed Staff to use spatial data to help identify high-need areas that could be prioritized in a CAB Scope of Work. If no priority areas are identified, all unserved addresses in the County would be considered of equal priority. Any funds committed by the County could thus be used to fund a project area proposed by a provider.

Staff have identified areas without broadband access and have mapped those locations alongside Census data, emergency response data, cell service data, and other broadband funded locations to help select potential priority areas. Staff have also estimated how many addresses could be served by different levels of committed funds under CAB’s program rules.

The next steps are for the Taskforce to receive BOC direction on total funding allocation. They will then direct Staff to complete CAB Commitment Forms, a Scope of Work, and to collaborate with NCDIT on selection criteria for responding providers.

BOARD ACTION REQUESTED:
The Board is requested to direct staff regarding the total budget amount to be allocated for broadband programs.

Suggested Motion:

No motion suggested.
Henderson County & Broadband Access

Priority Areas & Funding for the Completing Access to Broadband Program

Completing Access to Broadband (CAB)

- CAB is a partnership between NCDIT and NC county governments using ARPA funds to connect households and businesses to broadband.
- Procurement process with individual Scopes of Work for each county that may include “high priority areas.” Once award is made, the project is contracted right away to a pre-qualified service provider.
- A County Commitment Form with an “up to” amount of funding we plan to commit is required by the program.
- The Stop-Gap Program and BEAD will be following CAB to continue completing access to widely spread unserved areas that are harder to reach.
Purpose: Determine Next Steps For CAB

- Identify CAB priority areas (optional)
  - See what’s eligible under CAB Program rules
  - Examine datasets to help identify high-need areas:
    - Cell coverage
    - Access to emergency services
    - School-age population
    - Income level
    - Density of unserved homes or businesses
- Allocate funds to be committed for CAB Program

Outcomes: Selecting Priority Areas

Option 1
Select one or more Priority Areas for the CAB program’s Scope of Work, which could be difficult-to-reach areas or acute need.

Option 2
Do not submit any priority areas and let Internet Service Providers who bid on our project propose the areas for connection. If no priority areas are identified, all eligible addresses are given equal weight.
Outcomes: Allocating Funds for CAB

**Option 1**
Commit the $900,000 ARPA funds already earmarked for Broadband, reaching an estimated 570 locations.

**Option 2**
Commit more funds to leverage as much $ as we can from the State Match. Connect more people now to internet and make future connections to unserved areas more feasible.

Previous Funding Efforts

*This map is unverified and DOES NOT reflect updates from the protest period. It is only to illustrate potential unclaimed BSLs that could be included in future GREAT Grant RFP process. The map shows GREAT grant application and RDOF locations. Some of the mapped addresses align with unserved areas identified by CAB planning tool map.*
Mapping Broadband Need

To better identify areas of high need, the following maps show availability of emergency services, cell phone coverage, school-age population density, and income across the County alongside data showing density of unserved addresses.
Focus Area 1: SE of County

Census Data

Population Under 18
By Block Group

Household Income
By Block Group
Focus Area 1: SE of County

Emergency Response

Focus Area 2: NW of County

Census Data
Focus Area 2: NW of County

Emergency Response

*ISP: Internet Service Provider

County Contributions can be drawn from American Rescue Plan (ARPA) funds or from a county’s General Fund
Completed Project Examples

**ERC Example:**
- Saluda Mountain Telephone Company Example:
  - Rate of $5,193 per location served
  - Funds reached 766 units
  - Total Project Cost: $3,977,673.20

**Saluda Mountain Telephone Company Example:**
- Rate of $4,445 per location served
- Funds reached 1,176 units
- Total Project Cost: $5,226,322.00

**Henderson County Budget**
- Henderson County currently has $900,000 in ARPA Funds earmarked to finance broadband
- Funds estimated to reach about 570 units
- Total Project Cost: $2,571,428
Funding Levels & Locations Reached

At a rate of $4,500 per address*, the total cost to provide broadband to all of Henderson County’s unserved locations would be an estimated $24.7 Million with an $8.6 Million match.

Here are estimates for how many locations we could reach at different funding levels:

- Locations reached: 2,540 (about ½ of unserved locations)
  - $4,000,000 (County Match 33%)
  - $4,000,000 (State Match 33%)
  - $3,428,570 (Provider Match 33%)
  - $11.5 Million Total Project Cost

- Locations reached: 1,460 (about 30% of unserved locations)
  - $2,300,000 (County Match 33%)
  - $2,300,000 (State Match 33%)
  - $1,971,428 (Provider Match 33%)
  - $6.6 Million Total Project Cost

- Locations reached: 825 (about 15% of unserved locations)
  - $1,300,000 (County Match 33%)
  - $1,300,000 (State Match 33%)
  - $1,114,286 (Provider Match 33%)
  - $3.7 Million Total Project Cost

*Cost per address estimated based on other projects already completed in the County, see previous slide.

Process Once CAB Funds are Awarded:

- Within 45 days of receipt of the executed award document, the county shall transfer the required funding to NCDIT.

- A broadband service provider selected for a project shall enter into an agreement with NCDIT that includes the project description, timelines, benchmarks, proposed broadband speeds, and any other information and documentation the office deems necessary.

- Once a project is contracted and implementation has begun, NCDIT will disburse funds from the project account to the broadband service provider on a reimbursement basis, upon completion of established benchmarks in the project agreement.
Map Enlargements

To aid Questions and Discussion.
CAB Eligible Hexbins

- 51 - 80 Locations
- 31 - 50 Locations
- 26 - 30 Locations
- 16 - 25 Locations
- 11 - 15 Locations
- 3 - 10 Locations
- 1 - 2 Locations
- No Eligible Addresses
- Municipal Boundary

Cell Coverage Map

- EMS Stations
- Fire Stations
- All Providers
- AT&T and Verizon
- AT&T Only
- Verizon Only
- AT&T and T-Mobile
- T-Mobile and Verizon
- T-Mobile Only
- No Cell Coverage
- Municipal Boundary
CAB and Emergency Response