

RESOLUTION No. R-2020-30

A RESOLUTION AUTHORIZING THE MAYOR AND/OR THE CITY CLERK OF THE CITY OF WARD TO PARTNER WITH FIRST ELECTRIC COOPERATIVE AND ITS SUBSIDIARY CONNECT 2 FIRST INTERNET TO CONSIDER DEPLOYING FIBER TO THE HOME BROADBAND NETWORK IN THE CITY LIMITS OF WARD

WHEREAS, THE GOVERNOR OF THE STATE OF ARKANSAS announced in August 2019 his initiatives to make broadband internet service more available to those not served or underserved; and

WHEREAS, THE CARES ACT recently set aside \$100 million and authorized Electrical Cooperatives and their subsidiaries to apply for a \$75,000 grant for this purpose.


WHEREAS, THE CITY OF WARD WILL if awarded, administer the grant and be eligible for up to \$6,000 in reimbursable time and material.

NOW, THEREFORE, IT IS RESOLVED THAT THE CITY COUNCIL OF THE CITY OF WARD hereby declares that the Mayor and/or the City Clerk may initiate and sign documents needed to partner with First Electric Cooperate and Connect 2 First Internet to apply for a \$75,000 to deploy fiber broadband services within the city limits of Ward.

Said resolution has been properly introduced and the vote was:

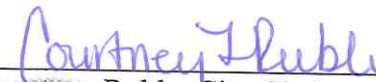
PASSED: YEAS 5 NAYS 0

DATE APPROVED: November 16, 2020

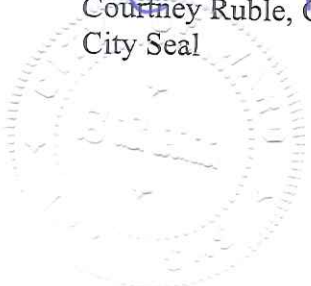


Charles Gastineau, Mayor

ATTEST:



Courtney Ruble, City Clerk
City Seal



**Rural Broadband I.D. Trust Fund Program
Cover Sheet**

Applicant Name: City of Ward, AR

Applicant Address: 405 Hickory St, Ward, AR 72176 | PO Box 237

Applicant Phone Number: 501-843-7686

Applicant Email Address: wardarkansas@cityofward.com

Applicant Tax ID or EIN Number: ????????

Key Contact Person: Mayor Charles Gastineau

Total Amount Requested: \$75,000.00

Project Description:

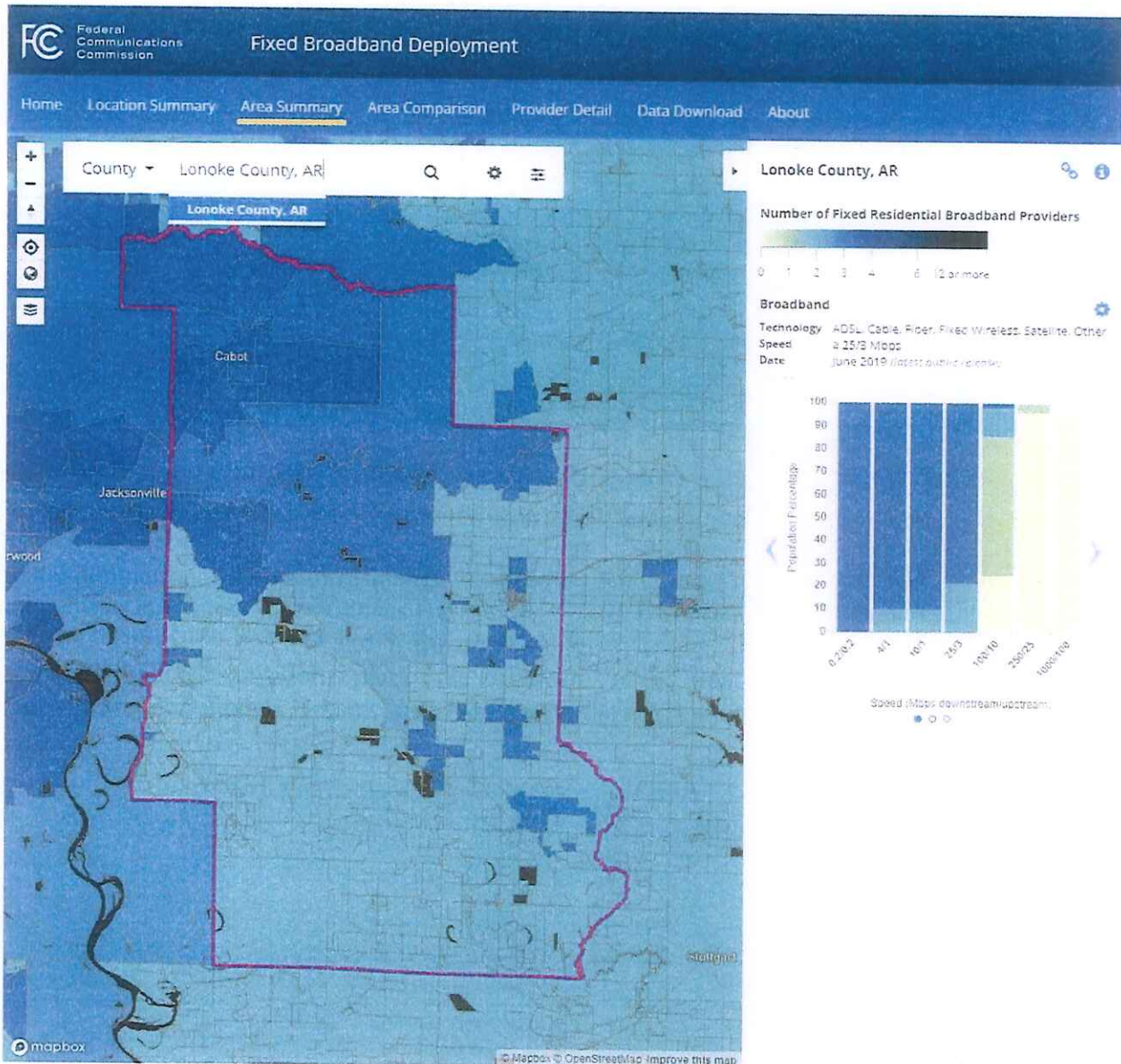
The city of Ward has a population of 5,358. There are 2,341 individual address locations in the city of Ward. First Electric Cooperative serves 2,711 electric services inside the city limits of Ward.

The city of Ward must partner with a company to bring reliable and affordable broadband service to all citizens and promote economic growth and stabilization. The COVID-19 Pandemic has accentuated the need for rural broadband. Schools, businesses, farmers, and medical facilities are suffering due to the lack quality broadband services. This is the reason the city of Ward approached First Electric and its subsidiary Connect 2 First Internet and asked them to consider deploying a fiber to the home broadband network in the city limits of Ward. The city of Ward will:

- Contract with FECC and C2FI to develop strategies for designing and deploying a fiber broadband network
- Work with FECC and C2FI to promote and broadband initiatives to local businesses and residents
- Continue to look for other funding and partnership opportunities relating to broadband development.

Percent of your proposed service area that is unserved by 25/3 broadband

This is the broadband coverage for Lonoke County:



According to the FCC, three providers offer 25/3 broadband to 78.81% of our county's residents. Two providers offer 25/3 broadband service to 21.19% of our county's residents.

Total population, number of residents who are rural and urban

According to United States Census Bureau on 7/1/2019, Lonoke County had a population of 73,309. The cities of Cabot and Ward are classified as Urban Clusters by definition and population but are considered part of the Urban area of the greater Little Rock area. England and Lonoke are identified as Urban Cluster areas with the remaining portions of Lonoke County

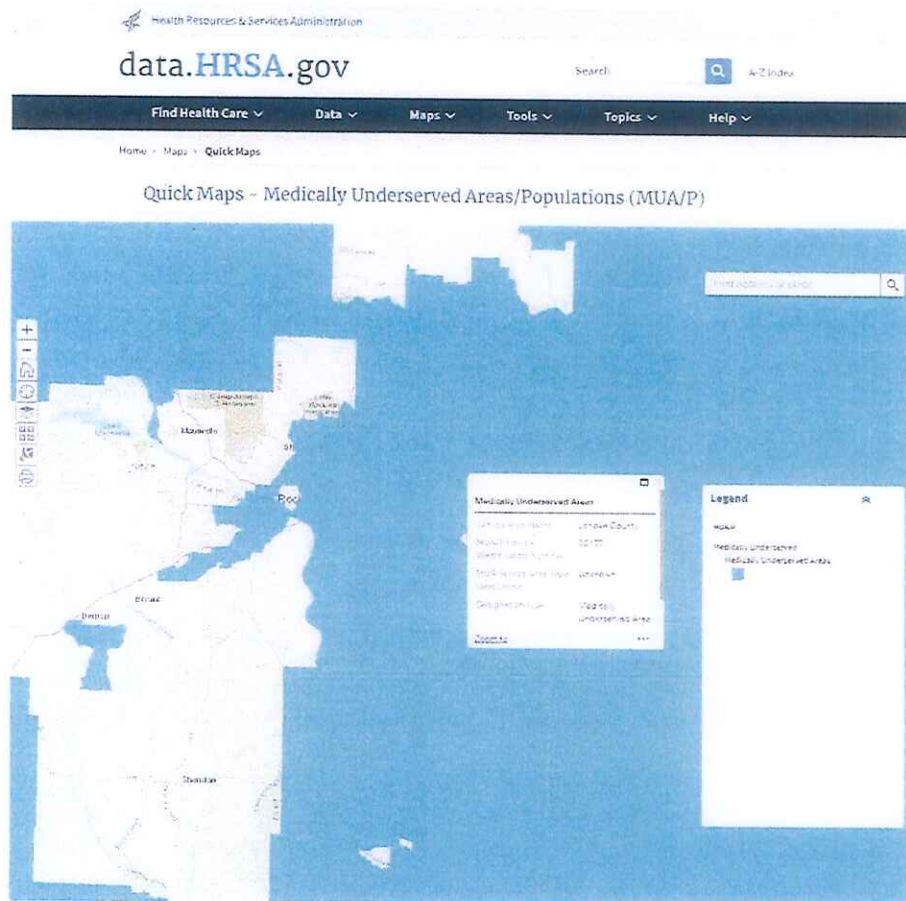
being recognized as Rural. Cabot has a population of 26,352, England has a population of 2,825, Lonoke has a population of 4,245, and Ward's population is 5,358. There are no other towns in Lonoke County with a population greater than 2,500. Lonoke County population is 52.8% Urban Cluster and 47.2% Rural.

Percent of individuals in your proposed service area who are living in poverty
 According to the Small Area Income and Poverty Estimates (SAIPE), 11.9% of Lonoke County individuals are considered to live in poverty and 14.7% for the citizens inside Ward city limits.

Medically underserved

Discipline	MUA/P ID	Service Area Name	Designation Type	Primary State Name	County	Index of Medical Underservice Score	Status	Rural Status	Designation Date	Update Date
Primary Care	00177	Lonoke County	Medically Underserved Area	Arkansas	Lonoke County, AR	45.9	Designated	Partially Rural	11/01/1978	11/01/1978

The below map from the HRSA website indicates all of Lonoke County is Medically Underserved.



Description of need (up to 30 points)

Staffing needs:

Ward city officials have no experience in broadband deployment. However, we do have experience in evaluating and hiring consultants and contractors, managing budgets, and completing projects in a timely manner. Ward handles a budget of \$XXX annually and manages X existing contracts for consultants and other contractors.

Population needs:

According to the US Census Bureau QuickFacts, 6.4% of Ward population is over the age of 65. Ward has a mix of 92.3% White, 2.8% Black or African American, .7% American Indian and Alaska Native, .1.3% Asian, 2.5% Two or More Races, and 4.2% Hispanic or Latino. Most of the city population (age 25+) have a High School diploma or greater (91.9%). 12.2% (age 25+) hold a bachelor's degree or higher. The median household income for years 2014-2018 was \$50,547.00.

Broadband needs:

By looking at the broadband coverage in Ward it appears that adequate (25/3) broadband service is available across the entire city and 100% is covered by at least 2 providers. However, it has been well documented that broadband speeds have been overstated in reports to the FCC for years and that these coverages and speeds are unreliable. The citizens of Ward are in dire need of quality broadband service that exceeds the FCC minimum requirements of 25/3. With the recent events revolving around the COVID-19 Pandemic, the lack for bandwidth, broadband speed, and coverage has been exposed. Teachers, students, employers, employees, and healthcare workers struggle to be able to utilize the online alternatives due to insufficient broadband availability. These are the reasons why Ward has taken the initiative to pursue grants such as the Rural ID Expenses Trust Fund. The map below comes from the Arkansas Broadband Speed Test. Even though the FCC website shows multiple ISPs provide service at or above the 25/3 level, there are multiple speed test results that show differently. Data from the results show that users are generally not satisfied with their service and would even pay more for a different option. Some of these tests were even performed on the Suddenlink/Altice cable network which is supposed to provide 150Mbps download speed per the FCC page.

Internet Service Provider relationship needs:

The city of Ward has had a longstanding relationship with First Electric Cooperative. Electric Cooperatives were created to provide electric service to those rural areas where large investor owned electric companies refused to go. The citizens of Ward feel very strong that if rural broadband is successful, it will be on the backs of those that brought electricity to rural America 80+ years ago. We are confident that by partnering with our local Electric Cooperative that we will help to extend high speed broadband to the rural areas of our community.

Financial needs:

<<Specify your annual operating budget, along with those of any other partners, or provide an average annual operating budget of all partners.>>

Ward officials do not have the expertise to begin a broadband project but a grant like this could help offset feasibility costs for a qualified Internet Service Provider. This grant would help identify the needed infrastructure, design, feasibility, and deployment schedule needed to extend broadband service throughout our community. We understand that there are federal grants available for broadband construction and expansion, and we feel that this grant may strategically position us to compete for these funds.

Community relationship needs:

<<Insert a description of which leaders support this project.>>

<<Describe why the community would support this project.>>

Description of plan (up to 25 points)

Through this study, we plan to achieve the following:

- Contract with FECC and Connect 2 First Internet to educate our leaders of broadband options and develop strategies to extend broadband into the city of Ward.
- The feasibility study and design completed by FECC and Connect 2 First Internet are necessary components of their due diligence business study to bring broadband services to the city of Ward. To complete this, a low-level design is needed to identify the equipment, material, routes, and labor.

Our objectives and timeline are as follows:

Month 1 Objective – Launch city of Ward Broadband Due Diligence Study

Month 1 Goals:

1. Meet with FECC and Connect 2 First Internet to review due diligence study
2. Contract FECC and Connect 2 First Internet to complete a low-level design
3. Assign a city official to document and create reports as needed to UAMS Institute for Digital Health & Innovation

Month 2 Objective – Make Decisions Related to the Broadband Due Diligence Study

Month 2 Goals:

1. Work with FECC and Connect 2 First on the low-level design
2. Continue holding meetings with FECC and Connect 2 First Internet

Month 3 Objective – Expanding Broadband Due Diligence

Month 3 Goals:

1. Continue holding meetings with FECC and Connect 2 First Internet

Month 4 Objective – Continuing Documenting Needs

Month 4 Goals:

1. Continue holding meetings with FECC and Connect 2 First Internet
2. Receive monthly update about low-level design

Month 5 Objective – Sharing Documented Needs

Month 5 Goals:

1. Share the first draft of the city of Ward low-level design and UAMS Institute for Digital Health & Innovation
2. Make revisions as needed
3. Continue holding meetings with the FECC and Connect 2 First Internet
4. Receive monthly update about low-level design

Month 6 Objective – Receive Findings of the Feasibility Study

Month 6 Goals:

1. Share final draft of the low-level design with Ward Mayor and UAMS Institute for Digital Health & Innovation
2. Determine next steps for further broadband grants, loans, or other necessary steps

Final Products:

1. Low-level design for broadband deployment in FECC service areas in the city of Ward.

While we are not familiar with the available broadband grants and programs, we are confident, that FECC and Connect 2 First Internet are in tune with that landscape and will work with us to pursue those opportunities.

Budget

Budget Categories	Cost
Personnel	\$5,400
Supplies	\$600
Contractual	\$69,000
Total Request	\$75,000

Budget Justification (up to 15 points):

Personnel:

Project Director – Our Mayor will act as Project Director, serving as key liaison to the funders and media. He will coordinate meetings and make final decisions on all contractors. Our Mayor will spend an estimated half a day a week on this project for six months. Compensation for his time is valued at \$3,000.00. Request: \$3,000.00

Financial Director – Our Mayor will appoint the Financial Director from his staff. The Financial Director will secure the surety bond and make financial arrangements for all contractors. This person will ensure timelines, objectives, and goals are met, providing troubleshooting as necessary to solve problems while working alongside our Project Director. The Financial Director will spend an estimated one day weekly on this project for six months. Compensation for the Financial Director’s time is valued at \$2,400.00. Request: \$2,400.00

Supplies:

The city of Ward will need office supplies (printing paper, printer ink, folders, postage, etc.), bottled water, and other sundry supplies for meetings. An allowance of \$100 per month is requested to cover these needs. Request: \$600

Contractual:

Feasibility Study Contractor, Broadband Consultant, Needs Assessment Author: FECC and Connect 2 First Internet will be the Internet Service Provider to conduct a low-level design to expand its services to our area. They will also provide any consulting work or outsource to another broadband consulting firm if additional research is required. This contractor will conduct market research, engage partners, model/design the network, and conduct a cost analysis and business plan. FECC and Connect 2 First Internet has informed us that to conduct this study, they need at least three months and \$69,000. We feel this amount will compensate another ISP or electric cooperative should we decide to pursue another feasibility study contractor. Request: \$69,000

Supporting Documents (up to 10 *bonus* points):

<<Provide Letters of Support from business leaders, community leaders, residents, contractors, consultants, or broadband providers to indicate their desire for improve broadband and/or willingness to help.>>