<table>
<thead>
<tr>
<th>Topic</th>
<th>Presenter</th>
</tr>
</thead>
<tbody>
<tr>
<td>State of Construction Industry</td>
<td>Russ Katherman</td>
</tr>
<tr>
<td>Proposed Priorities for State Broadband Plan</td>
<td>Misty Ann Giles/Chad Rupe</td>
</tr>
<tr>
<td>State Broadband funding</td>
<td>Chad Rupe</td>
</tr>
<tr>
<td>Key priorities for the State</td>
<td>Chad Rupe</td>
</tr>
<tr>
<td>IIJA Programs and Implementation</td>
<td>Chad Rupe</td>
</tr>
<tr>
<td>FCC Broadband Data Collection and Mapping</td>
<td>Chad Rupe</td>
</tr>
<tr>
<td>FCC Mapping Challenges</td>
<td>Chad Rupe</td>
</tr>
</tbody>
</table>
**PPIs for construction bid prices and selected inputs**

Cumulative change in PPIs, April 2020 – January 2022 (not seasonally adjusted)

<table>
<thead>
<tr>
<th>% change Apr 2020–Jan 2022:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Steel mill products: 136%</td>
</tr>
<tr>
<td>Lumber and plywood: 89%</td>
</tr>
<tr>
<td>Copper and brass mill shapes: 70%</td>
</tr>
<tr>
<td>Aluminum mill shapes: 44%</td>
</tr>
<tr>
<td>Plastic construction products: 43%</td>
</tr>
<tr>
<td>Gypsum products: 10%</td>
</tr>
<tr>
<td>&quot;Bid price&quot; (new norms building construction): 17%</td>
</tr>
</tbody>
</table>

**Since February 2021:**

- **+80% last year lumber & plywood**
  Slow down in residential multi-family construction is expected to level the pricing, but it is still highly volatile.

- **+105% last year steel mill products**
  With limited or reduced imports from overseas and steady construction, steel costs remain at skyrocketed levels.

- **+3% last 12 weeks ready-mix concrete**
  Spiked cost due to increased demand in previous quarter is expected to level to trend downwards.

- **+35% last year copper & cabling**
  No significant increase in prices.

- **+55% last year rebar**
  Limited availability.

- **+20% last 3 months c/s ss pipe & fittings**
  Demand for products.

- **+5% last 15 weeks brick & block**
  Limited availability.

- **+15% last 12 weeks formwork**
  Increased demand.

- **+3% last 8 weeks pvc pipe & fittings**
  Limited availability.

**Trade Item**

<table>
<thead>
<tr>
<th>Lead Time Increase</th>
<th>Stop Light Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Steel Beams &amp; Decking</td>
<td>+167%</td>
</tr>
<tr>
<td>Roofing Membranes</td>
<td>+750%</td>
</tr>
<tr>
<td>Roofing Insulation</td>
<td>+667%</td>
</tr>
<tr>
<td>Doors / Hardware</td>
<td>+233%</td>
</tr>
<tr>
<td>HM Door Frames</td>
<td>350%</td>
</tr>
<tr>
<td>Aluminum Panels / Glazing</td>
<td>+333%</td>
</tr>
<tr>
<td>Drywall/Metal Studs</td>
<td>+200%</td>
</tr>
<tr>
<td>Paint</td>
<td>+600%</td>
</tr>
<tr>
<td>Plumbing and HVAC</td>
<td>+100%</td>
</tr>
<tr>
<td>Switchgear</td>
<td>+150%</td>
</tr>
<tr>
<td>Lighting and Controls</td>
<td>+100%</td>
</tr>
</tbody>
</table>

Sources: FMIR, Multiple General Contractors' Q4 Reports, CBRE Cost Consultancy

**Table of Materials**

<table>
<thead>
<tr>
<th>Material</th>
<th>Lead Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>Steel Beams/Metal Decking</td>
<td>16-22 weeks</td>
</tr>
<tr>
<td>Open Web Joists</td>
<td>32-36 weeks</td>
</tr>
<tr>
<td>Roofing Membranes</td>
<td>32-34 weeks</td>
</tr>
<tr>
<td>Roofing Insulation</td>
<td>40-50 weeks</td>
</tr>
<tr>
<td>Doors &amp; Hardware</td>
<td>18-20 weeks</td>
</tr>
<tr>
<td>HM Door Frames</td>
<td>16-18 weeks</td>
</tr>
<tr>
<td>Aluminum &amp; Storefront</td>
<td>20-26 weeks</td>
</tr>
<tr>
<td>Drywall &amp; Metal Studs</td>
<td>6-8 weeks</td>
</tr>
<tr>
<td>Flooring (Imported)</td>
<td>14-18 weeks</td>
</tr>
<tr>
<td>Granite</td>
<td>8-10 weeks</td>
</tr>
<tr>
<td>Paint</td>
<td>6-8 weeks</td>
</tr>
<tr>
<td>Metal Panels</td>
<td>18-20 weeks</td>
</tr>
<tr>
<td>HVAC Equipment</td>
<td>20-24 weeks</td>
</tr>
<tr>
<td>Electrical, Lighting &amp; Controls</td>
<td>14-18 weeks</td>
</tr>
<tr>
<td>Generators</td>
<td>40-45 weeks</td>
</tr>
</tbody>
</table>

* Source: FMIR, Aggregated Multiple General Contractors’ Reports
**Access:** Close the Digital Divide with both last mile and middle mile connectivity

- 130,100 locations without service at 100 mbps symmetrical (22% of about 588,000 broadband serviceable locations in Montana lack service)
- 88,300 locations unserved (less than 25/10)
- 32,800 locations underserved (less than 100/20)
- 9,000 locations frontier (less than 4/1)

**Affordability:** Increase eligible enrollments by 42,000 households in Affordable Connectivity Program

- 12.4% are in poverty in Montana (approximately 64,000 of 519,000 households in Montana)
- As of February 14, 2022: 21,248 enrollments in Affordable Connectivity Program in Montana
- 65% are for mobile broadband, 35% are fixed broadband (national average)
- As of December 31, 2021: 9.62% of eligible households enrolled in Montana (Ranked 42nd of 50 States)

**Adoption:** Support providers and workforce development with community-based programs

- Digital Literacy Training, Cybersecurity Awareness, Workforce Development focused on veterans, low-income homes, elderly, disabled, incarcerated, minorities, rural populations
Website Orientation

https://connectmt.mt.gov/

Website includes:
- FAQs
- Information about the statewide broadband map, federal resources, announcements, events, webinars, forms, and guides
- Application link and guidance
- Project challenge process
- Awards
- Auditing and reporting
- Contact information
The map portrays broadband statistics for the State of Montana. Additionally, the map includes "served" locations which have been updated based on ISP information or they were awarded with USDA ReConnect, FCC RDOF funding, or CAF funding for terrestrial-based broadband.
Data and Mapping: Smart Agile Project Management Approach
Data and Mapping: What is Behind the Firewall?
CONNECT MT
APPLICATION

https://connectmt.mt.gov/
APPLICANT ELIGIBILITY

✓ Has authorization to do business in the state.

✓ Has demonstrated that it has the technical, financial, and managerial resources and experience to provide broadband service or other communications service to customers in the state.

✓ May only be a nongovernment entity with demonstrated experience in providing broadband service or other communications services to end-user residential or business customers in the state.

✓ Shall commit to paying a minimum of 20% of the project costs and may not provide a minimum matching amount from any funds derived from government grants or subsidies, except for federal funds designated for broadband deployment.

✓ May not receive funds under any other federal or state government grant or loan program where government funding supports 100% of the proposed project’s capital costs.
ELIGIBILITY (CONT.)

- Must be enrolled as an Affordable Connectivity Program (ACP) Provider
- Show evidence of Good Standing with Montana Secretary of State
- Provide Federal Employer Identification Number
- SAM.gov enrollment
**COST ELIGIBILITY**

- Scalable to speeds of at least 100 Mbps
  - Exceptions explained further in Section 6.5

- Funds may not be used to support noncapital expenses including:
  - general operations of an eligible provider
  - nonbroadband services
  - marketing or advertising

- 20% match required

Eligible Costs can only be incurred after the award contract is granted
- No pre-application expenses
AREA ELIGIBILITY

- Frontier: no or extremely limited access to terrestrial broadband services
- Unserved: 10% with no access to broadband service at or above 25/10
- Underserved: 10% with no access to broadband service at or above 100/20

RDOF areas are NOT eligible

- The Proposed Project as a whole may serve non-eligible areas
- Federal allocation funds can only be used for eligible areas.

Applicants will need to clearly delineate this in the application.
Does your solution provide 100Mbps/100Mbps?

Proposed solutions that do not meet this capacity threshold will require the following:

- Substantial narrative detailing the technical barriers to providing 100Mbps/100Mbps service
- Cost justification for the lower capacity service (on a per location basis)
- Identification of the steps required to upgrade the proposed solution to the desired 100Mbps/100Mbps service

Demonstrate Scalability to 100Mbps/100Mbps

- Documentation must be provided to show the proposed solution provides 100Mbps/100Mbps on can be scaled to meet these speeds
- This includes the appropriate specifications and narrative for the review team to assess
- This documentation must be certified either by the equipment manufacturer or a registered Professional engineer
PERMITTING

Identify What Permitting is Required for the Deployment of your Project

*Remember to make sure permitting timelines are accounted for in the presented project timelines*

Environmental Compliance and MEPA Checklist

*The checklist can be found on the forms and guides section of the website connectmt.mt.gov*
FINANCIAL REQUIREMENTS, 1 of 2

✓ Balance Sheets, Income and Cash Flow Statements, or equivalents

✓ Provide 3 years of unqualified historical financial statements

OR

✓ 2 years of unqualified comparative historical financial statements

All historical financials must be CPA compiled, reviewed, or audited
FINANCIAL REQUIREMENTS, 2 of 2

Pro Forma Requirements

Supplemental Information

• Most recent year of federal tax returns
• Independent audit

Proposed Budget

• See Sample Budget Table
✓ NTIA broadband grants ($42.45 billion) to states that then subgrant to providers by awarding funding first to unserved areas (80% without 25/3), then underserved areas (80% without 100/20), then anchor institutions that lack “gigabit-level broadband service”
  ◦ No preference for types of providers
  ◦ Providers must deploy at least 100/20 capable networks within 4 years
  ◦ Each state to receive at least $100 million
  ◦ States may award funds for broadband deployment, data collection, mapping, and other purposes
  ◦ 25% match required but ARPA and other federal resources can supply match

✓ $1 billion for middle mile network deployment

✓ $2.75 billion to states for furthering broadband adoption and digital literacy
STATE BROADBAND FUNDING

INFRASTRUCTURE ACT* CREATES ~$65B IN BROADBAND FUNDING

<table>
<thead>
<tr>
<th>Program</th>
<th>Funding</th>
</tr>
</thead>
<tbody>
<tr>
<td>BEAD</td>
<td>$42.45B</td>
</tr>
<tr>
<td>Digital Equity</td>
<td>$2.75B</td>
</tr>
<tr>
<td>Tribal</td>
<td>$2.00B</td>
</tr>
<tr>
<td>Middle Mile</td>
<td>$1.00B</td>
</tr>
</tbody>
</table>

**NTIA will administer ~$48B of this new funding**

**FCC to administer ~$14B**

- **$14.2B**
  - For Affordable Connectivity Program, which will replace the EBB program

**USDA to administer $2B**

- **$2.0B**
  - Via the Rural Utilities Service

**Private Activity Bonds**

- **$600M**
  - **$600M**
  - Authorizes State/local gov’ts to use private activity bonds for rural broadband

*Infrastructure Investment and Jobs Act, Division F, Pub. L. 117-58 (Nov. 15, 2021)

Note: funding amounts include all administrative set-asides.
BEAD (III/III) | THERE ARE THREE KEY (AND ONE OPTIONAL) STEPS FOR ELIGIBLE ENTITIES TO RECEIVE FUNDING ALLOCATION

NOFO | Eligible entities decide whether to participate. If they choose to, they need to submit a letter of intent to NTIA

LOI | Eligible entities can elect (via LOI) to access the planning fund & receive 5% of the minimum allocation (up to $5M for States). If they do, they must develop & submit a 5-year action plan

Planning | After NTIA notifies Eligible entities of their estimated allocations, eligible entities prepare & submit their initial proposal / plan.

Initial proposal | Once approved 20% (or more) of allocation awarded

NTIA review | After initial proposal approved, Eligible entities need to develop and submit their final proposal / plan

Final proposal | Once approved remaining allocation awarded

NTIA review | Implementation and monitoring

FCC DATA MAPS RELEASED

Key: Eligible entity activity • NTIA activity

Note: funding amounts inclusive of all administrative set-asides
ARPA funded ConnectMT Program Application Window Closes
April 29

Publish Executive Summaries and Maps of Each Application
May 5

Challenge Window
May 6 - 31

Department Review of Challenges
May 6 - June 14

Department review of ARPA applications
June 1-July 8

Communications Advisory Commission Reviews ARPA projects
July 19

Governors Office Approval of ARPA Projects
July 29

Update State Broadband Map to reflect ALL federal awards in MT
July 30

Obligate and begin servicing $266 million in ARPA awards
August
NTIA releases NOFO on BEAD and Middle Mile Programs  May 16

NTIA releases NOFO on Digital Equity Programs  June 1

State submits Letters of Intent to participate in each NTIA program (BEAD & Digital Equity State Planning Grant)  June (TBD)

Receive $5 million in planning funds from NTIA for BEAD program  July

Conduct Statewide Community Engagement/Prepare State Broadband Plan (BEAD and Digital Equity)  Fall 2022

FCC Releases Updated Broadband Data Collection Map  Late 2022

2023 Montana Legislative Session
Submit Initial Plan to NTIA for BEAD funding/Submit Digital Equity Plan May 2023
NTIA releases 20% of state allocation for BEAD funding June 2023
Apply for Digital Equity Capacity Program June 2023
Conduct Application Window for NTIA BEAD funding Summer 2023
Conduct Application Window for Digital Equity Capacity Program Summer 2023
Submit Final Plan to NTIA for BEAD funding Fall 2023
NTIA releases 80% of state allocation for BEAD Program Fall 2023
Obligate NTIA BEAD funding Fall 2023
Receive NTIA Funding Approval/Implement Digital Equity Capacity Program Fall 2023
**DIGITAL EQUITY (I/V)** | THE DIGITAL EQUITY ACT CREATES 3 SEQUENCED PROGRAMS TO PROMOTE DIGITAL INCLUSION

**OVERVIEW**

**Official name:** Title III – The Digital Equity Act

**Funding pool:** $2.758

**Programs’ objective:** support the closure of the digital divide & promote equity and digital inclusion, so that "individuals and communities have the information technology capacity that is needed for full participation in the society and economy of the United States."

**PROGRAMS PRIORITIES**

- Veterans
- Individuals living in households earning at or below 150% of the poverty line
- Aging individuals
- Incarcerated individuals
- Individuals with disabilities
- Individuals with a language barrier
- Individuals who are members of a racial or ethnic minority group
- Individuals who primarily reside in a rural area

**PROGRAMS CREATED**

<table>
<thead>
<tr>
<th>State program</th>
<th>Comp. program</th>
</tr>
</thead>
<tbody>
<tr>
<td>State Planning Grant Program ($60M)</td>
<td>Created once state implementation grants begin being awarded</td>
</tr>
<tr>
<td>State Capacity Grant Program ($1.44B)</td>
<td></td>
</tr>
<tr>
<td>Competitive Grant Program ($1.25B)</td>
<td></td>
</tr>
</tbody>
</table>

*Note: funding amounts inclusive of all administrative set-asides*
# Middle Mile (I/II) | $1 Billion Allocated to Middle Mile Grant Program to Support Expansion of Networks

## Overview

**Official name:** Enabling Middle Mile Broadband Infrastructure  
**Funding pool:** $1.00B  
**Type of program:** Direct competitive grant on technology-neutral basis  
**Program objective:** “Encourage the expansion and extension of middle mile infrastructure to reduce the cost of connecting unserved and underserved areas ... and to promote broadband connection resiliency”

## Program Priorities

1. For eligible entities meeting **at least two of five conditions:**  
   - Adopt “fiscally sustainable middle mile strategies”  
   - Commit to offering non-discriminatory interconnect  
   - Identify specific, documented and sustainable demand for middle mile interconnect  
   - Identify conditions/resources to speed up project  
   - Demonstrate benefits to national security interests

2. **Eligible entities must also:**  
   - Agree to prioritize connecting to unserved areas, connecting to non-contiguous trust lands, or offering wholesale carrier-neutral service at reasonable rate  
   - Offer interconnection “in perpetuity ... on reasonable rates and terms”

*Note: funding amounts inclusive of all administrative set-asides*
Provides a discount of up to $30 per month toward internet service for eligible households and up to $75 per month for households on qualifying Tribal lands.

Eligible households can also receive a one-time discount of up to $100 to purchase a laptop, desktop computer, or tablet from participating providers if they contribute more than $10 and less than $50 toward the purchase price.

**ELIGIBILITY:**
- Household income is at or below 200% of the Federal Poverty Guidelines, or if a member of the household meets at least one of the criteria below:
  - Received a Federal Pell Grant during the current award year;
  - Meets the eligibility criteria for a participating provider’s existing low-income internet program;
  - Participates in one of these assistance programs:
    - SNAP
    - Medicaid
    - Federal Public Housing Assistance
    - Supplemental Security Income (SSI)
    - WIC
    - Veterans Pension or Survivor Benefits
    - or Lifeline;
  - Participates in one of these assistance programs and lives on Qualifying Tribal lands:
    - Bureau of Indian Affairs General Assistance
    - Tribal TANF
    - Food Distribution Program on Indian Reservations
    - Tribal Head Start (income based)
ADOPTION PRIORITY

DIGITAL EQUITY (II/V) | STATE PROGRAM HAS TWO DISTINCT FUNDING STREAMS - COMPLETING THE FIRST IS KEY FOR SECOND

State Planning Grant Program

- Plan NOFO
- Application
- NTIA review
- Plan development

Eligible entities decide whether to participate. If they choose to, they need to submit an application to NTIA.

NTIA reviews grant to develop a Digital Equity Plan (which is required to participate in the Capacity program).

State Capacity Grant Program

- Capacity NOFO
- Application
- NTIA review
- Implementation and monitoring

Eligible entities who completed the planning program can submit an application for the Capacity Grant (implementation) portion.

NITA reviews & approves application. Funds are then awarded annually over 5 years based on each year’s appropriation.

Eligible entities subgrant for implementation and regularly monitor progress.

Key: Eligible entity activity NTIA activity
PLANS FOR LOCAL COORDINATION

PRIORITIES | THE DIGITAL EQUITY ACT ALSO ESTABLISHED PROGRAM PRIORITIES OR 'COVERED POPULATIONS'

PROGRAM/S PRIORITIES

1. Individuals living in households earning at or below 150% of the poverty level
2. Individuals who are members of a racial or ethnic minority group
3. Individuals who primarily reside in a rural area
4. Individuals with a language barrier
5. Aging individuals
6. Individuals with disabilities
7. Incarcerated individuals
8. Veterans

Note: Numbers do not represent a ranking

1. Poverty level as determined by using criteria of poverty established by the Bureau of the Census. 2. Including individuals who are English learners and individuals who have low levels of literacy. 3. Other than individuals who are incarcerated in a Federal correctional facility.
SB 297 Modifications - Need to Align State Law with Federal Rules for Participation

**Discussion of Hot Topics:**

- access: eligibility, terrestrial service, mobile vs. fixed, wireless vs. wireline
- adoption: digital equity topics: workforce development; digital literacy
Updates and Next Steps:
- Fabric Contract Award issued on Nov. 9 to CostQuest
- FCC Speed Test App Contract Modifications for Mobile Challenge, Crowdsourcing Updates
- Contracts Expanded for Technical Assistance Resources
- IIJA Rule Revisions
- Additional outreach to States and other filers/entities
- Other Contracts (e.g., wireless RF engineering resources)
- Open Submission Window
- Process Data + Publish Maps/Data
- Begin Challenge + Verification Process

Ways to Participate:
- Challenges
  - Provider data: direct challenges or through assistance to consumers
  - Fabric: geolocate locations within your jurisdictions
  - Submit Primary Data
    - Must meet technical requirements
  - Submit Crowdsourced Data
Contact Us:

1.844.406.ARPA(2772) or visit connect.mt.gov

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