

ARRA BROADBAND GET READY FAST PROGRAM

2009

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Lookout Point

Consultants in
Municipal
Networks

Fast -- Quick
Appraisal

Are you ready
for the
American
Recovery and
Reinvestment
Act?



Here is a simple, quick and low cost program to know whether you could be “stimulus ready.”

Many cities have been feeling caught. They know advanced broadband will improve the lives of their citizens. They see that coming. Maybe they have been asked by citizens and business. But

- What would it cost?
- Who needs to be involved?
- Would it work financially?
- Can we get help from the private sector?
- What are the options for operating or running this network?

The problem is that to know this requires time and money. To get time and money you need information for decision makers.

A frustrating circle!

Well, that's the problem nonetheless. Cities that have done this work usually spend more than two years building support. Then the Feasibility Study takes another four to six months and costs \$50,000, \$70,000 or more.

With ARRA the money might be there! You might be able to do this, but how do you get ready in time? Can you find a way to get the basic job done in order to apply for ARRA money?

The answer is yes -- there is a way!

Lookout Point has developed a simple, quick and inexpensive program to assist cities to get there in time!

Get Ready Fast -- Appraisal Program Details -- \$10,000 fixed cost bid

NTIA will allocate \$4.7 billion in grants, loans and grant/loan combinations through September 30, 2010, under the Broadband Technology Opportunity Program (BTOP). The actual application details are still under review. Detail is expected by the end of April or early May 2009. General guidelines:

- **NTIA will fund up to 80% of a project, although this matching requirement can be waived for “financial need.”**
- **Three award periods are anticipated: April-June 2009, Oct-Dec 2009 and April-June 2010.**
- **“Unservd” and “underserved” are key targets, though those terms are yet to be defined (expected by May 2009)**
- **Goals also include broadband improvements for: public safety, schools and libraries, medical and healthcare providers and other community organizations.**
- **BTOP is designed to create jobs and stimulate broadband demand and economic growth.**



USDA/RUS will allocate another \$2.5 billion. Funding awards may be similar to application criteria for existing programs with additional guidelines under ARRA that include:

- Priority will be given to applications that:***
- **Deliver a choice of more than one provider**
 - **Provide service to the highest proportion of rural residents**
 - **Had previous loans under RUS**
 - **Demonstrate sound financials such that all project elements are funded**
 - **Projects that can be completed and which commence promptly**

Don't miss these opportunities -- The time to prepare is now!

Lookout Point

Consultants to
Municipal
Networks

Will provide answers -- lay the foundation for applying for ARRA grants and loans through NTIA or USDA/RUS.



Lookout Point Communications has been involved in municipal fiber networks for over twelve years. We have actively aided and supported communities evaluating fiscally sound networks enhancing local values and meeting local needs. Finding unique solutions to *each community's* needs for a broadband network is our business.

The provisions offered under ARRA represent a historic opportunity to improve the quality of life in many communities. Lookout Point's work with municipalities allows us to see both this opportunity and barriers faced by our customers. Two primary barriers to ARRA are: how do we seek these funds given the short time to apply -- how do we afford this right now!

Lookout Point solves this with our Get Ready Fast program which will:

Goal One: Determine existing broadband service deficiencies and expectations – underserved, unserved, affordability and desires

Task: Identify and document present situation

- Document broadband service deficiencies comparing needs to existing services offerings.
- Identify and document local needs, both met and unmet

Task: Define services being proposed for project

- Define who will be served in the community
- Determine match of proposed services with the goals of ARRA

Goal Two: Determine likely stakeholders, if any, to partner with the municipality.

Task: Determine nearby service providers and assess their potential as partners.

- Identify and document adjacent communications companies and/or service providers
- Assess their potential as partners and potential contributions

Task: Determine if local non-profits may be potential partners.

- Identify and document adjacent non-profits
- Assess partner potential and potential partner contributions

Goal Three: What is the legal entity and who are the participants in the Broadband Project?

Task: Identify and interview key stakeholders, defining contributions. Codify a straw-man organization and coordinate a legal entity to bid and receive funding.

Goal Four: Determine other sources of funds and local leverage.

Lookout Point continues to track ARRA guidelines as they are evolving. To apply for these funding applications will take certain core work that is now fairly clear.

Task: Determine stakeholder and other community assets what can be leveraged for this broadband effort.

Goal Five: Determine infrastructure required, basic service offerings meeting community needs and estimate the financial requirements -- initial capital and ongoing operations.

Task: Determine - at a high level - the architecture and infrastructure required to deliver proposed services and to estimate the associated costs.

- Estimate the infrastructure and equipment required to deliver the proposed services
- Estimate the capital costs and ongoing operational expenses of the project
- Estimate the consumer sign-up required to support the project

more



Goal summary

- 1. Identify community needs**
 - ✓ unserved/underserved
 - ✓ rural density
 - ✓ current services levels
- 2. Identify key partners**
 - ✓ public safety agencies, schools, libraries, health care systems and more
 - ✓ potential partners -- public and private
- 3. Identify a potential operating organization to bid for and receive funding**
- 4. Identify potential sources of funds and local leverage**
- 5. Define a possible solution**
 - ✓ competitive service offerings and likely revenues needed
 - ✓ high level system architecture
 - ✓ estimating capital, operational and financial costs
- 6. Provide a financial impact analysis for the community**
- 7. Determine project schedule and timeline**
- 8. Identify next steps prior to grant approval**

Goal Six: Determine financial and community impact(s) of the project - savings for users and local revenue generated if the project were to be completed.

Goal Seven: Determine project schedule and timeframe.

Task: Provide a series of schedules identifying --

- Estimated timeframe for the construction of proposed infrastructure
- Estimated “get-ready” time frame (solicit RFPs, finalize architecture and costs, develop marketing programs, etc.)
- Estimate timeframe for ARRA award tasks

Goal Eight: Determine next steps for project prior to grant approval.

Deliver Document: Document and deliver above pre-qualification estimate.

What you will need to do:

It is Lookout Point’s intention to provide the “get ready fast” program allowing cities to get listed during the first or second rounds of the ARRA programs. The “get ready fast” effort will seek to complete this work during an intense two to three week calendar period using industry norms and Lookout Point’s lengthy experience.



To meet this schedule will require close cooperation from the city or other organizational staff leading this effort.

The leading organizations must provide:

- A single key individual that is responsible for project decisions and information exchange. Of course, multiple task members are welcome to participate.
- Municipal base line information including in town and near town street mileage, demographic information as available, any pertinent project histories or past efforts, political and community structure(s) of importance.
- Assembly and coordination with City interest groups, if desired.

What this is not:

To prepare for this application and get listed as a potential award candidate is critical. Time does not allow for a full feasibility study and we do not make such a claim. Nor do we include market surveys or lengthy community interaction. Each of those elements, we believe, can be sought in the granting applications.

What this is:

An offer to assist municipalities and their partners to assemble base information necessary to apply for ARRA grants and/or loans. We offer this to municipalities under 7,000 households at the fixed price of \$10,000. Between 7,000 households and 30,000 the fixed price is \$15,000.



Lookout Point wants to hear from you. We welcome all inquiries, even those just exploring options or with quick questions. Contact us, we enjoy helping people.

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