

Nevada County Last-Mile Broadband Grant Pilot Program Overview

Grant Program Overview

The primary objective of the grant is to increase connections to high speed broadband for businesses and homes. The focus of the grant program is to provide resources that promote financial opportunities for new and existing Internet Service Providers (ISPs) to invest in building broadband infrastructure that supports economic development, public safety, education and overall community prosperity in Nevada County. Funds were targeted to areas that are unlikely to receive broadband service without grant funding. The grant is designed to provide up to 50% of a project's infrastructure costs (project planning, permits, construction plans and labor, installation and testing, engineering, etc.) and thus, requires a verified cash match from the applicant. This is a success-based reimbursement grant, meaning that applicants must perform the work and prove connectivity success to qualify for reimbursement. The maximum grant amount is \$225,000, however, multiple smaller grants were preferred. The grant program was included as a recommendation in the Nevada County Broadband Strategy that was approved by the Board on October 22, 2019. Subsequent to approval of the strategy, staff worked with SBC to finalize the Program Guidelines and Grant Application for Last Mile Broadband Projects. The first round of the grant is considered a pilot program. The grant application opened on November 1, 2019 and advanced the following timeline of events:

Timeline:

October 22, 2019: Nevada County Broadband Strategy finalized
Application Period Open: November 1, 2019
Applicant Conference Call - Q&A: November 19, 2019, 2PM
Deadline for Submission: December 6, 2019
Finalist Announcement: December 20, 2019
Finalist Comment Period: January 24, 2019
Grant Finalist Presentation & Award February 25, 2020

Summary of Grant Applicants

Three applications were received for a total of \$301,789. Based on the project proposals, the grant committee recommends the following:

1. Exwire Inc – Truckee Prosser Area Fixed wireless project

Requested Amount: \$52,900

The project applicant is a rural broadband ISP with a 16-year history of serving hard to reach areas in the region through fixed wireless, fiber and Ethernet technologies. This project will provide service to 124 homes (including 16 home-based businesses) in an underserved community in Truckee dependent on DSL internet. Two wireless technologies will be deployed in the proposed access site to provide as much wireless coverage as possible with the fastest speeds possible to each subscriber. Exwire will deploy - 5Ghz Line-of-Sight high performance technology - 3.65 LTE non Line-of-Sight technology. This deployment is a proven scalable model.

Recommendation: Approve project as proposed in the amount of \$52,900

2. Nevada County Fiber – Banner Mountain Project

Requested Amount: \$223,889 for 40 Homes 8 businesses, alternative scenario requests \$124,209 for the first 20 homes and 4 businesses.

The project applicant is a new ISP, however, the principle has experience in broadband. This project is 100% underground fiber to the premise (with backhaul purchased from ATT) and is proposed as a first phase of a much larger and scalable model. The service area is considered underserved and is located 4.5 miles east of Nevada City and 2 miles southwest of Scotts Flat reservoir. The entire project area indicates 260 parcels and funding from this grant will kick off the first of three phases for connection. The project is technologically preferred for long-term sustainability and scalable to other areas of the county where existing fiber can be leveraged.

Recommendation: Approve alternate scenario amount of \$124,209 and monitor for success for further deployment

3. Northern Sierra Fiber Coop – Providence Mine Business Park

Requested Amount: \$25,000

The project applicant is founder and President of a regional IT managed services company and network engineer. The project proposal is to fund planning and engineering for an open access fiber-to-the-premise network with fuel cell backup power to provide multi-day uptime capability. The point of presence (POP) will be located in the Seven Hills District of Nevada City with a mini network operation center in the Liberty Hill building. The project would ultimately serve approximately 75 homes, 100 businesses and 5 anchor institutions with underground fiber. The project has received a letter of support from the city of Nevada City. The project's business model is a cooperative that would effectively offer superior service at a lower price point to businesses. The project is designed to serve as a sustainable model for robust, affordable and scalable broadband.

Recommendation: Defer to future grant cycles based on readiness of project.