Construction Program – DRAFT Revised Approach

Goals:

- Streamline the process
- Allow for earlier entry into the program and access to necessary funds
- Additional accountability in exchange for a more collaborative approach
- Recognize that activities must occur concurrently
- Recognize that different applicants are at different stages

Eligibility – All Applicants

All applicants must propose to the VCBB a universal service area and a plan for building out to all underserved addresses in the municipality.

Proposed plans will be evaluated based on community support, leveraging of other resources, consumer pricing, confidence in the ability of the provider to perform the necessary work, the estimated cost, and the appropriateness project towards advancing the goal of universal services.

The applicant must also agree to certain criteria, such as the Outside Plan Design Standards and other items contained in the "applicant certification" section described in the Draft RFP (see page 8)... and present an informed estimate of the project costs.

The applicant must request funding via the collaborative or the "not to exceed" model. Communications Union Districts forging a hybrid path (building some, contracting others) may direct the private partner to apply as a either or both.

The Board will decide whether to accept the applicant into the program.

Collaborative Model

The VCBB invites interested parties to enter into a long-term partnership with the Board to provide a proposed service area with universal, publicly owned fiber optic infrastructure. Partnerships may only involve projects in which the infrastructure is publicly owned.

In exchange for a collaborative and iterative approach to designing the network, the applicants will benefit from performance payments to plan and implement the project and potentially master service contracts for materials, labor, or consulting. While this approach targets Communications Union Districts, other eligible providers creating public infrastructure are welcome to apply.

Process:

- 1. Apply to the VCBB to be the universal service provider for your town or region
- 2. Upon acceptance, any remaining preconstruction allocation is added to the available construction funds. The programs are now one.
- 3. Upon providing an Act 71 compliant business plan, the grantee may invoice funding for materials, electronics, and as necessary to secure contractors for construction.

- 4. Communications Union Districts must certify that they are taking full advantage of the tariff reduction and submit a detailed overview of their pole applications. Upon the provision of detailed design data, the applicant can request funding for estimated make-ready costs <u>for that section of the network</u>. This is envisioned as an iterative process.
- 5. VCBB reviews the detailed design for compliance with VCBB outside plan standards and Act 71 requirements and negotiates any modifications.
- 6. Performances payments as necessary until completion.

"Not to Exceed" Program

Contractors benefit from a streamlined process but are only paid upon the certified completion of the project as outlined in the application. Universal Service Projects must be broken down into 24 month phases.

Process

- 1. Apply to the VCBB to be the universal service provider for your town or region
- 2. Present an Act 71 compliant business plan. High-Level design and a not to exceed cost and answers to Act 71 related questions.
- 3. Upon completion, VCBB performs an inspection
- 4. Grantee submits invoices for the not to exceed cost.