

Michael Preston
SECRETARY OF COMMERCE
EXECUTIVE DIRECTOR
Arkansas Economic

Development Commission

December 8, 2022

Senator Jonathan Dismang, Co-Chair Representative Michelle Gray, Co-Chair Performance Evaluation and Expenditure Review Committee Arkansas Legislative Council State Capitol Building Little Rock, AR 72201

Re: Requested Appropriation for ARC Grant Awards

Dear Senator Dismang and Representative Gray:

The United States Treasury has awarded the State of Arkansas \$158,086,576 from the Capital Projects Fund ("CPF") authorized under the America Rescue Plan Act ("ARPA"). Funding from the CPF is separate from the \$1.6B in funding awarded under the ARPA State and Local Fiscal Recovery Funds ("SLFRF") program. Unlike the SLFRF program, which may be spent in a variety of authorized categories, the CPF award from Treasury specifies that it may only be used for broadband projects and related administrative expenses. Treasury has allocated \$150,236,576 of the award to be used for broadband projects, with the balance of \$7,850,000 to be used for broadband administrative expenses through 2026. AEDC is requesting appropriation for these amounts.

The CPF broadband projects will be subject to the terms of the Arkansas Rural Connect grant program. AEDC has recently completed a rule promulgation that will govern all CPF projects. This rule was approved by ALC on November 18, 2022 and is now in effect. The broadband office has concluded a round of competitive grant applications and challenges to the submitted applications. Attached to this letter is a detailed list of the proposed projects, along with supporting documentation concerning the project areas.

There is one additional project for Jefferson County that is not included in the attached list due to incomplete documentation from the applicant. It is expected that this award will be presented for legislative review in January, provided the documentation is submitted by the applicant ISP.

Thank you for your consideration of our request.

Sincerely,

Michael Preston

Secretary, Department of Commerce



Arkansas Rural Connect Proposed Projects Round 3

Arkansas Department of Commerce Broadband Office December 8, 2022

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Summary of Proposed Projects

Count of Proposed Projects **20**

Count of Households (HH) per BSLF **19,192**

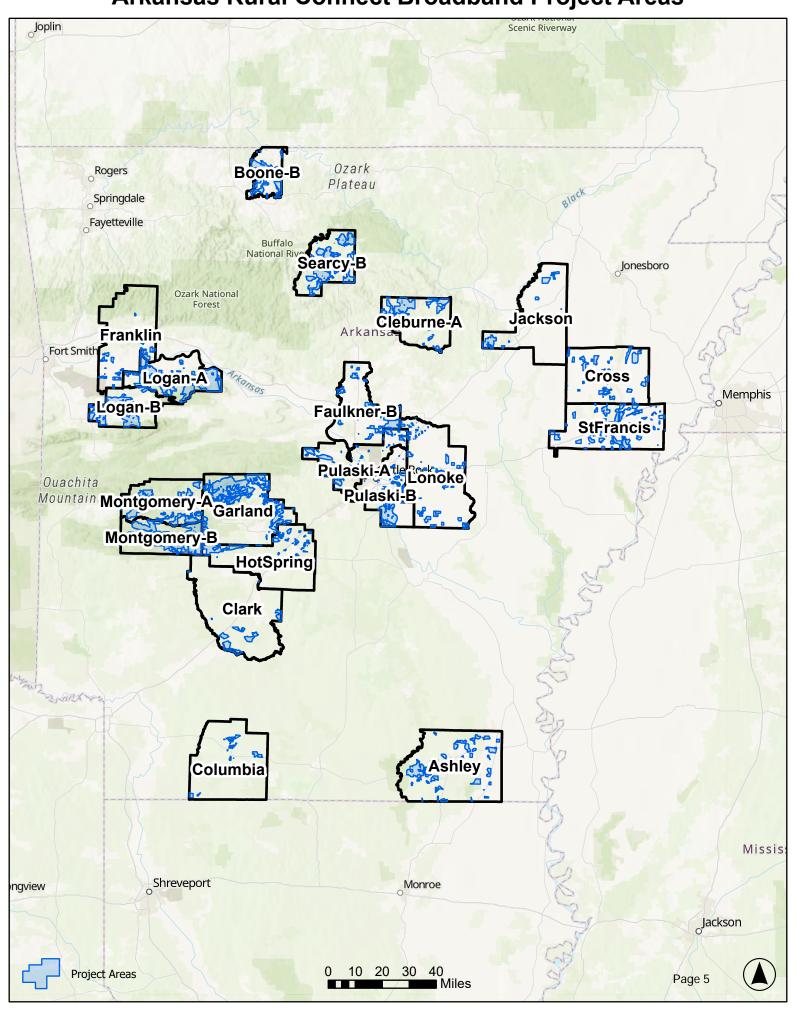
Total Grant Request Amount **\$135,821,471.92**

Average Total Cost per HH \$7,076.98

Proposed Projects Detail

Project ID	Internet Service Provider	HH per BSLF	Total Cost of Project	Requested Grant Amount	Grant Request Amount %	Grant Cost Per HH
Ashley	Ashley-Chicot Electric Cooperative, Inc	1,248	\$20,913,733.52	\$15,685,299.39	75	\$12,568.35
Boone-B	Hometown Internet, LLC	775	\$9,869,876.00	\$7,402,407.00	75	\$9,551.49
Clark	South Central Connect, LLC	111	\$2,236,182.55	\$1,677,136.16	75	\$15,109.33
Cleburne-A	Connect2First Internet	807	\$7,785,780.60	\$4,593,610.56	59	\$5,692.21
Columbia	Four States Fiber	494	\$8,011,464.09	\$5,207,451.66	65	\$10,541.40
Cross	Comcast Cable Communications, LLC	534	\$7,493,181.85	\$5,230,990.25	70	\$9,795.86
Faulkner-B	Comcast Cable Communications, LLC	1,645	\$14,125,034.99	\$7,717,919.12	55	\$4,691.74
Franklin	Wave Rural Connect, LLC	598	\$8,766,044.00	\$4,756,000.00	54	\$7,953.18
Garland	South Central Connect, LLC	1,718	\$15,338,684.50	\$11,504,013.40	75	\$6,696.17
HotSpring	South Central Connect, LLC	870	\$3,547,509.40	\$2,660,632.10	75	\$3,058.20
Jackson	Farmers Rural Connect, Inc	249	\$3,588,823.50	\$2,691,617.60	75	\$10,809.71
Logan-A	Wave Rural Connect, LLC	1,714	\$8,307,233.20	\$5,750,000.00	69	\$3,354.73
Logan-B	Wave Rural Connect, LLC	1,702	\$13,957,257.20	\$9,000,000.00	64	\$5,287.90
Lonoke	Connect2First Internet	876	\$14,793,646.10	\$10,947,298.10	74	\$12,496.92
Montgomery-A	Four States Fiber	1,082	\$14,678,882.09	\$11,009,162.57	75	\$10,174.83
Montgomery-B	South Central Connect, LLC	839	\$11,621,606.40	\$8,716,204.80	75	\$10,388.80
Pulaski-A	Comcast Cable Communications, LLC	891	\$7,573,326.99	\$3,884,359.41	51	\$4,359.55
Pulaski-B	Comcast Cable Communications, LLC	1,333	\$5,766,702.78	\$1,574,886.53	27	\$1,181.46
Searcy-B	Petit Jean Electric Cooperative Corp	755	\$8,182,903.16	\$6,137,177.37	75	\$8,128.71
StFrancis	Woodruff Electric Cooperative Corporation dba Enlightened	951	\$13,074,737.66	\$9,675,305.90	74	\$10,173.82

Arkansas Rural Connect Broadband Project Areas

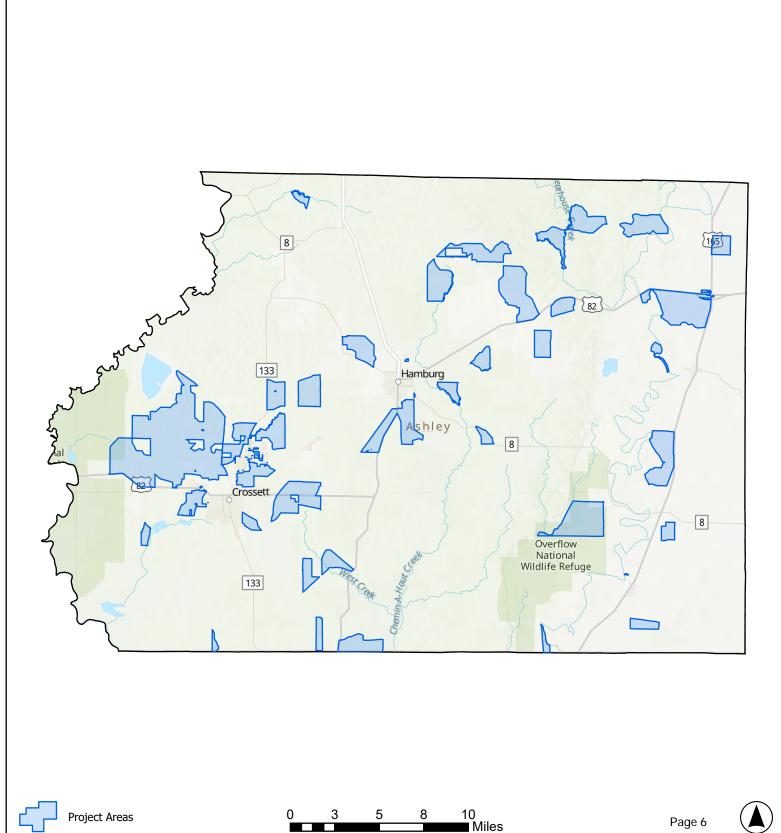


Project ID: Ashley

Top Applicant ISP: Ashley-Chicot Electric Cooperative, Total Cost of Project: \$20,913,733.52

Number of Households: 1,248 Grant Request Amount: \$15,685,299.39

Grant Cost per Household: \$12,568.35 Grant Request Percent of Total Project Cost: 75%

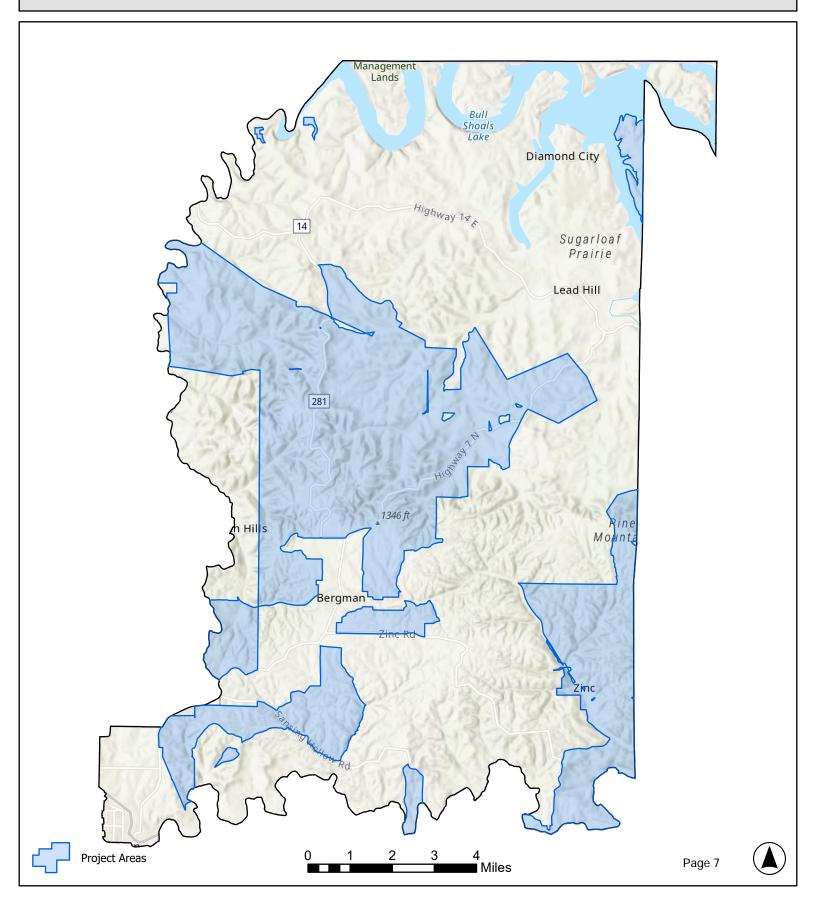


Project ID: Boone-B

Top Applicant ISP: **Hometown Internet, LLC** Total Cost of Project: \$9,869,876.00

Number of Households: **775** Grant Request Amount: **\$7,402,407.00**

Grant Cost per Household: \$9,551.49 Grant Request Percent of Total Project Cost: 75%

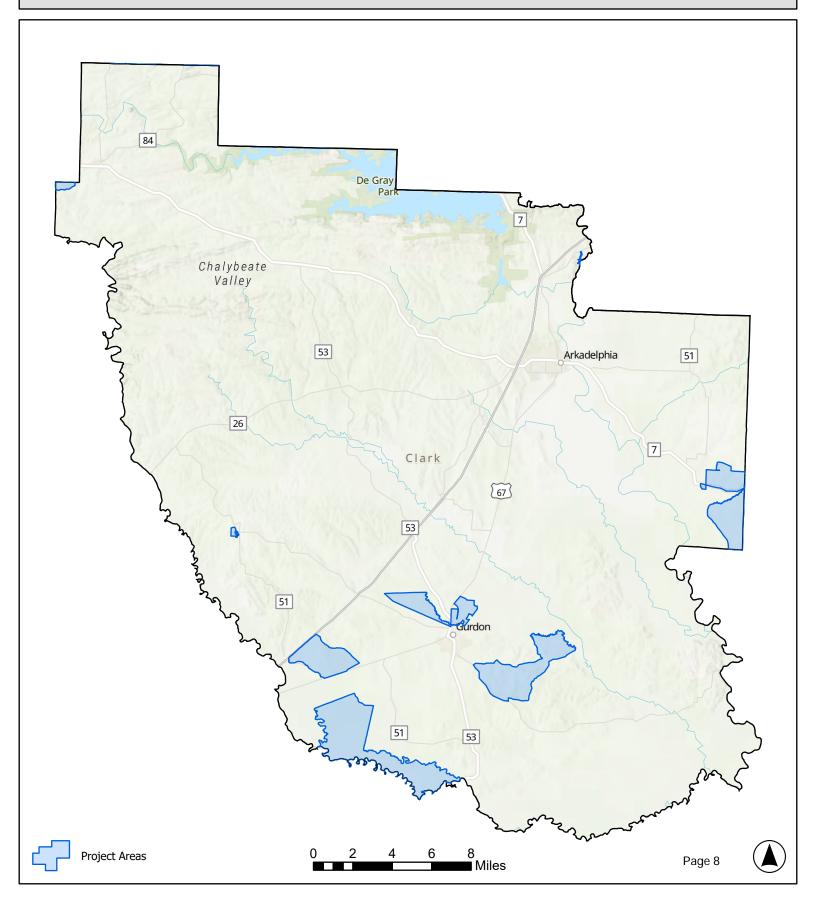


Project ID: Clark

Top Applicant ISP: South Central Connect, LLC Total Cost of Project: \$2,236,182.55

Number of Households: 111 Grant Request Amount: \$1,677,136.16

Grant Cost per Household: \$15,109.33 Grant Request Percent of Total Project Cost: 75%

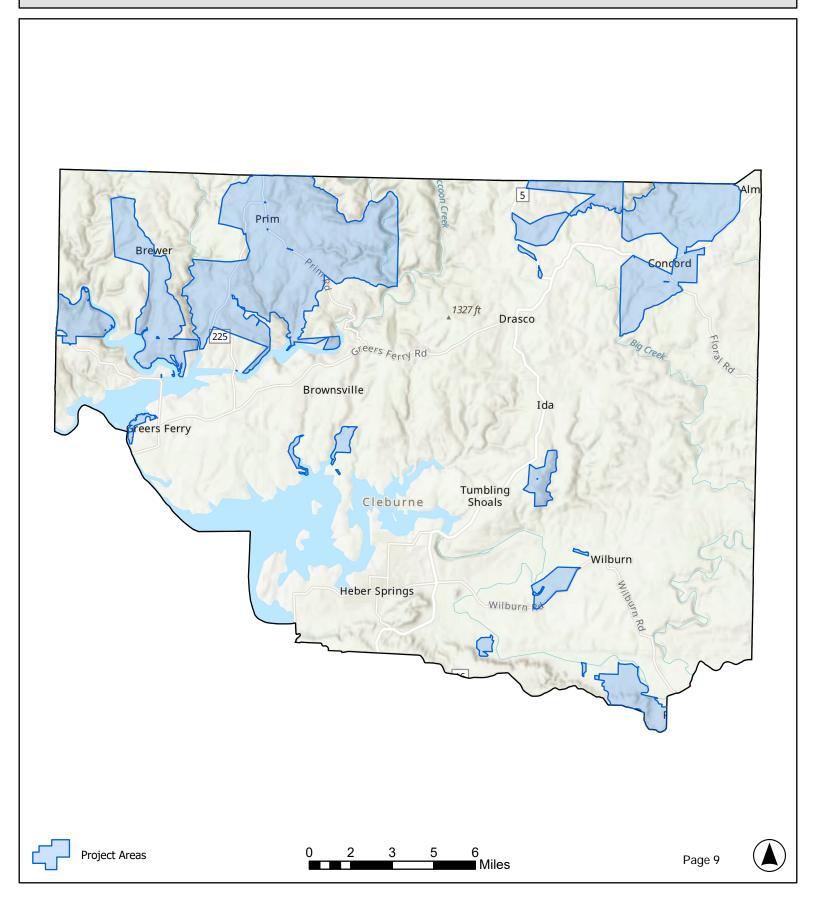


Project ID: Cleburne-A

Top Applicant ISP: Connect2First Internet Total Cost of Project: \$7,785,780.60

Number of Households: **807** Grant Request Amount: **\$4,593,610.56**

Grant Cost per Household: \$5,692.21 Grant Request Percent of Total Project Cost: 59%

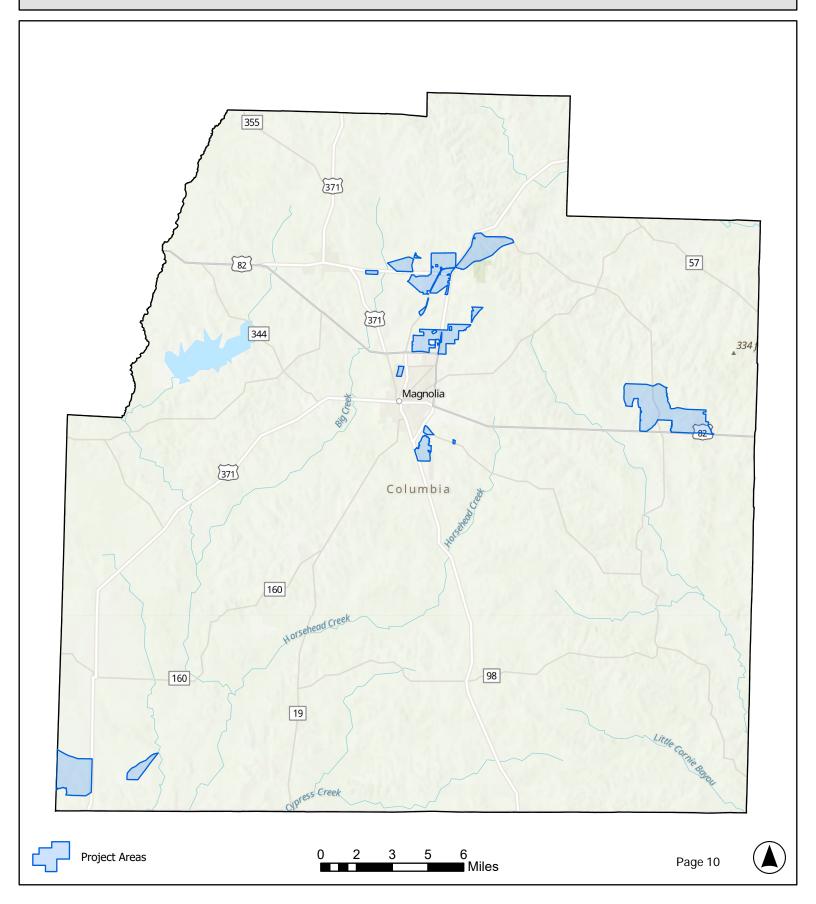


Project ID: Columbia

Top Applicant ISP: Four States Fiber Total Cost of Project: \$8,011,464.09

Number of Households: **494** Grant Request Amount: **\$5,207,451.66**

Grant Cost per Household: \$10,541.40 Grant Request Percent of Total Project Cost: 65%



Project ID: Cross

Top Applicant ISP: Comcast Cable Communications,

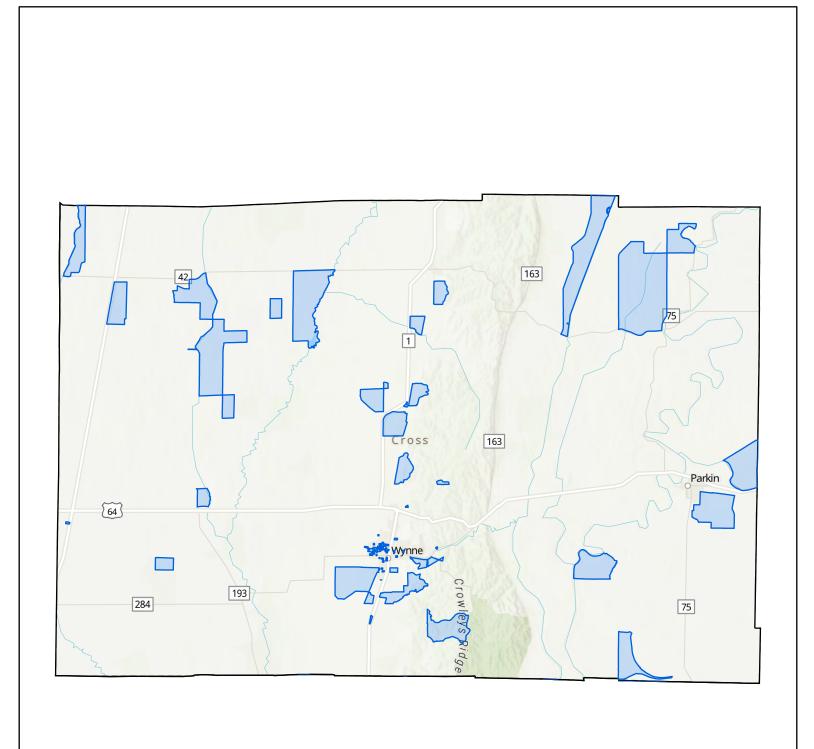
LLC

Number of Households: **534** Grant Request Amount: **\$5,230,990.25**

Grant Cost per Household: \$9,795.86

Grant Request Percent of Total Project Cost: 70%

Total Cost of Project: \$7,493,181.85









Project ID: Faulkner-B

Top Applicant ISP: Comcast Cable Communications,

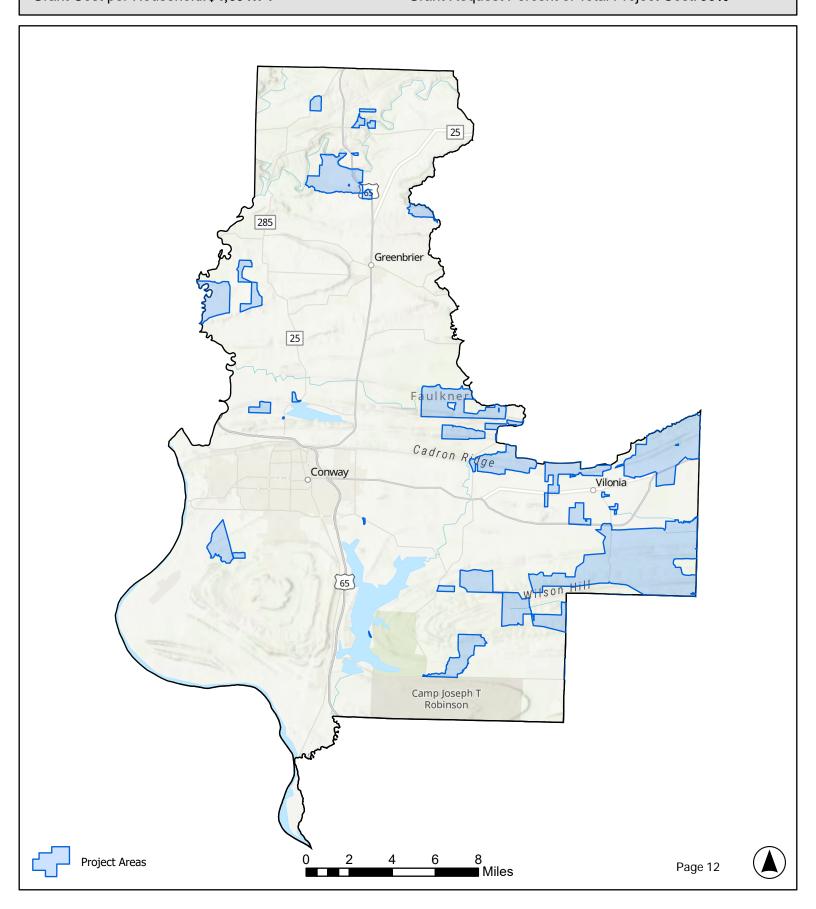
LLC

Number of Households: **1,645** Grant Request Amount: **\$7,717,919.12**

Grant Cost per Household: \$4,691.74

Grant Request Percent of Total Project Cost: 55%

Total Cost of Project: \$14,125,034.99

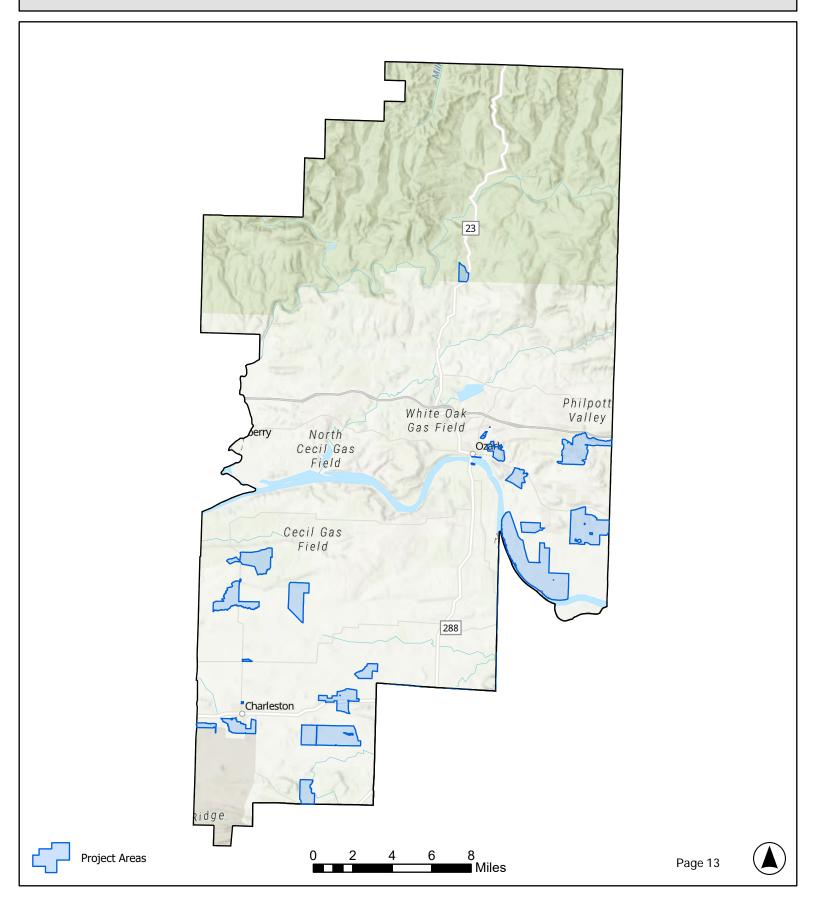


Project ID: Franklin

Top Applicant ISP: Wave Rural Connect, LLC Total Cost of Project: \$8,766,044.00

Number of Households: **598** Grant Request Amount: **\$4,756,000.00**

Grant Cost per Household: \$7,953.18 Grant Request Percent of Total Project Cost: 54%

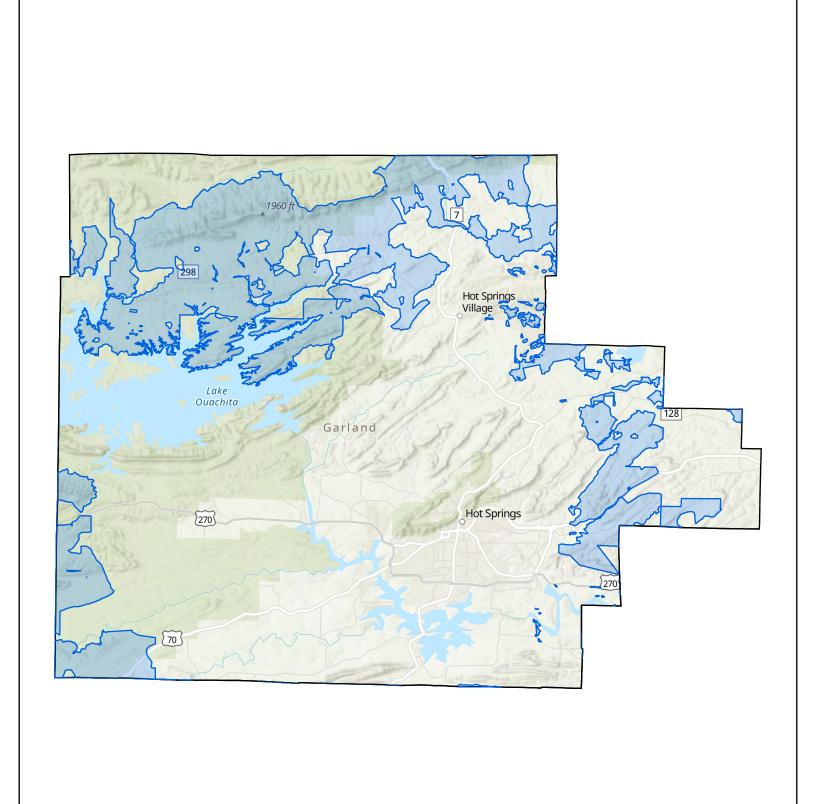


Project ID: Garland

Top Applicant ISP: **South Central Connect, LLC** Total Cost of Project: \$15,338,684.50

Number of Households: 1,718 Grant Request Amount: \$11,504,013.40

Grant Cost per Household: \$6,696.17 Grant Request Percent of Total Project Cost: 75%

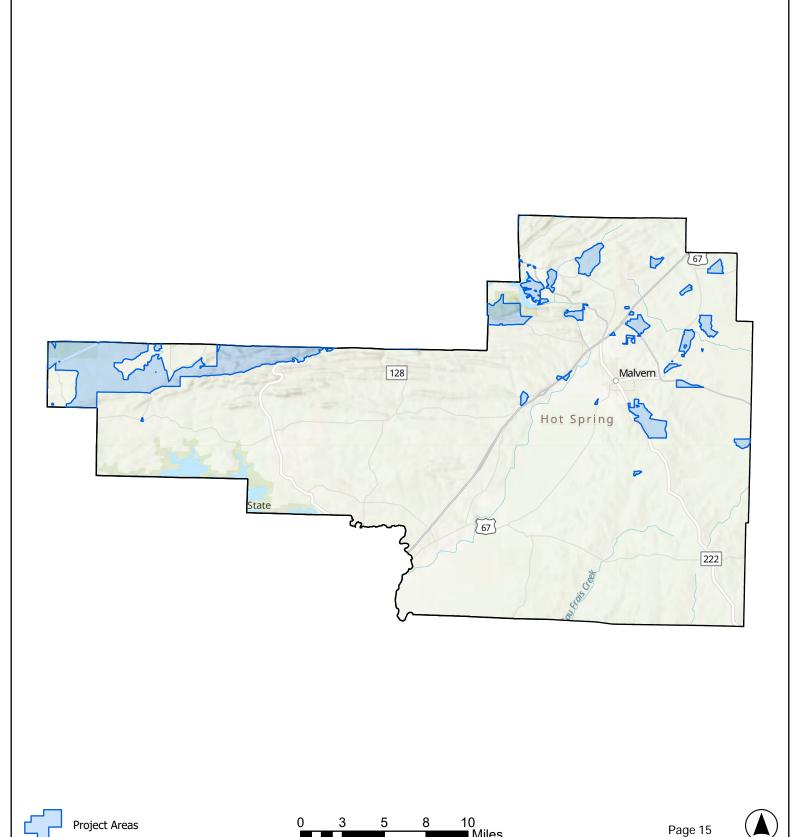


Project ID: HotSpring

Total Cost of Project: \$3,547,509.40 Top Applicant ISP: South Central Connect, LLC

Number of Households: 870 Grant Request Amount: \$2,660,632.10

Grant Cost per Household: \$3,058.20 Grant Request Percent of Total Project Cost: 75%

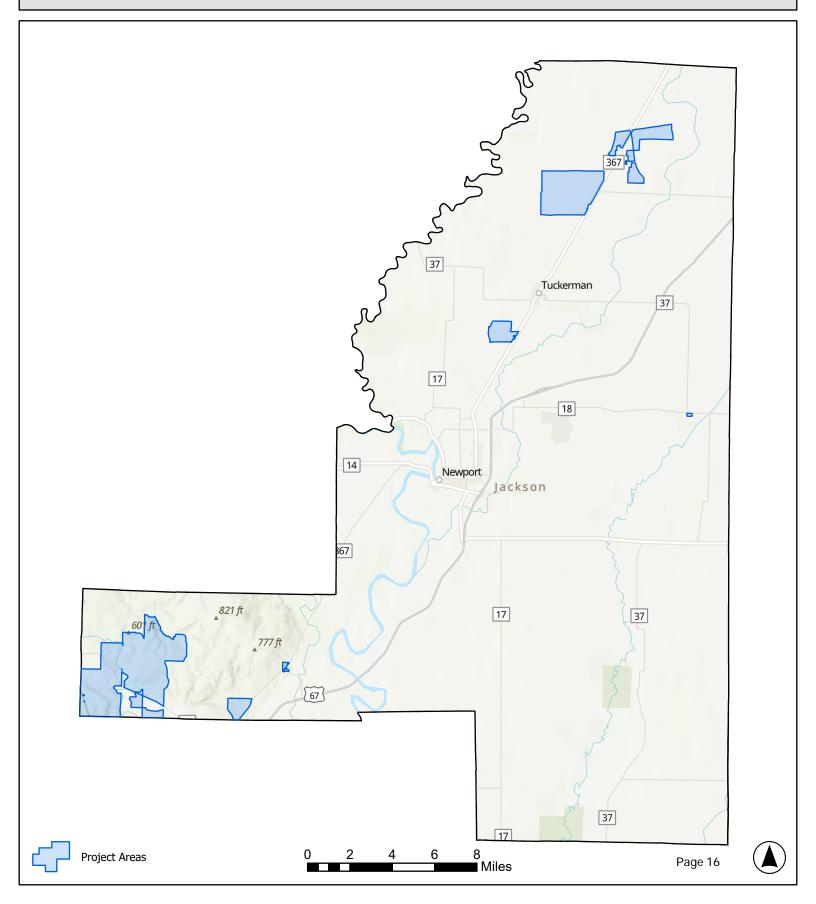


Project ID: Jackson

Top Applicant ISP: Farmers Rural Connect, Inc Total Cost of Project: \$3,588,823.50

Number of Households: **249** Grant Request Amount: **\$2,691,617.60**

Grant Cost per Household: \$10,809.71 Grant Request Percent of Total Project Cost: 75%

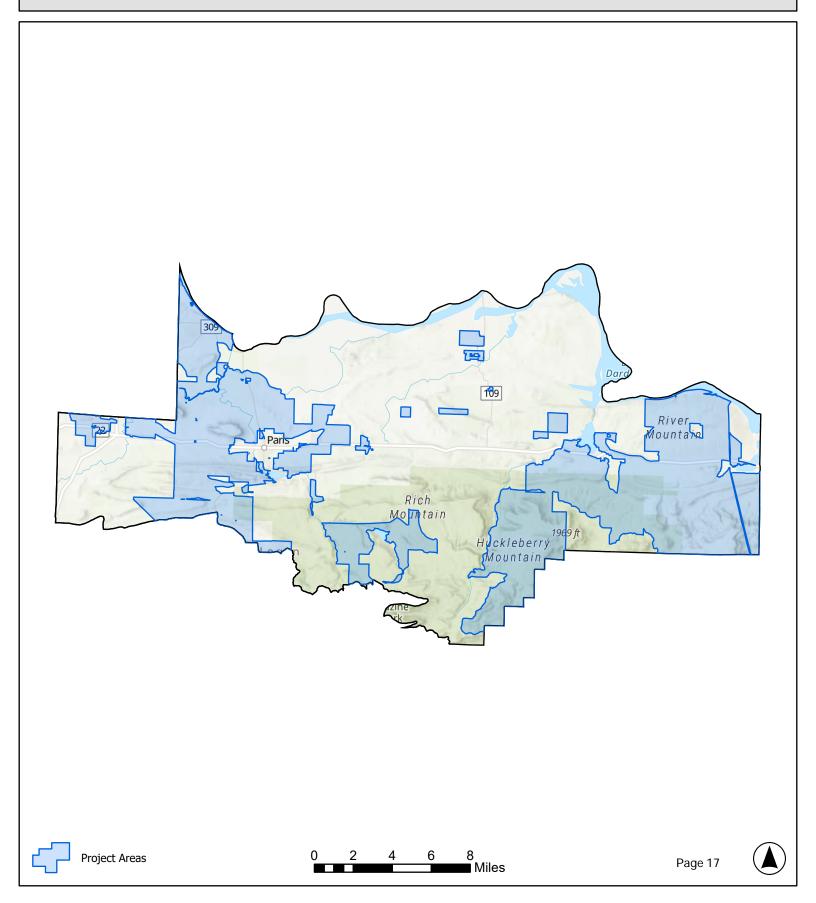


Project ID: Logan-A

Top Applicant ISP: Wave Rural Connect, LLC Total Cost of Project: \$8,307,233.20

Number of Households: 1,714 Grant Request Amount: \$5,750,000.00

Grant Cost per Household: \$3,354.73 Grant Request Percent of Total Project Cost: 69%

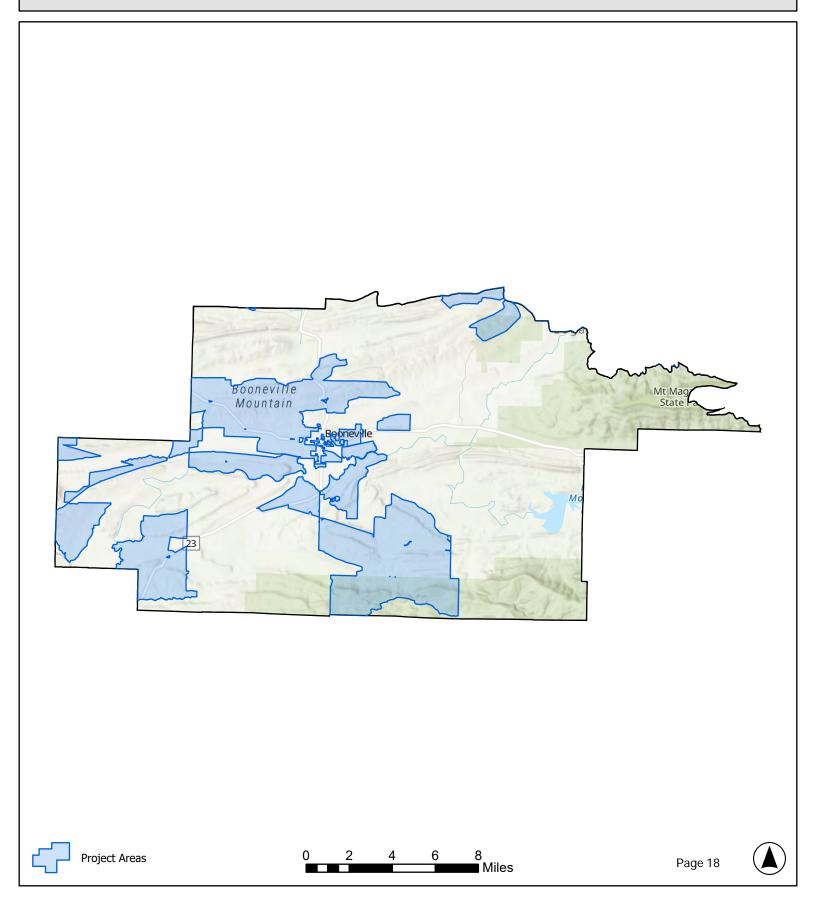


Project ID: Logan-B

Top Applicant ISP: Wave Rural Connect, LLC Total Cost of Project: \$13,957,257.20

Number of Households: 1,702 Grant Request Amount: \$9,000,000.00

Grant Cost per Household: \$5,287.90 Grant Request Percent of Total Project Cost: 64%

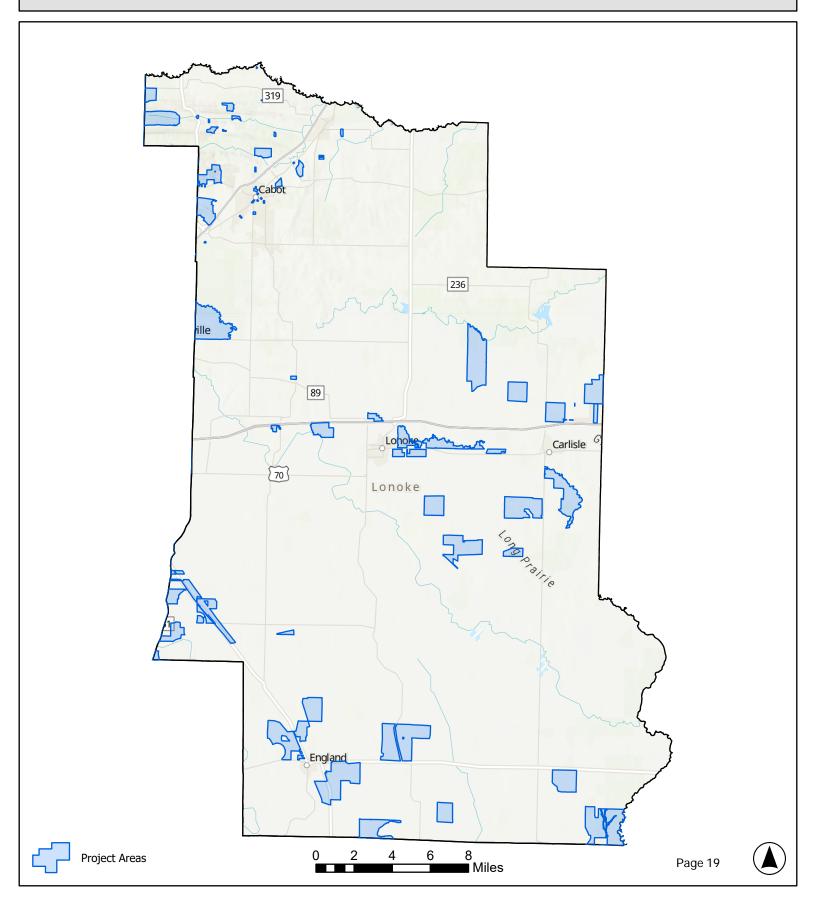


Project ID: Lonoke

Top Applicant ISP: Connect2First Internet Total Cost of Project: \$14,793,646.10

Number of Households: **876** Grant Request Amount: **\$10,947,298.10**

Grant Cost per Household: \$12,496.92 Grant Request Percent of Total Project Cost: 74%

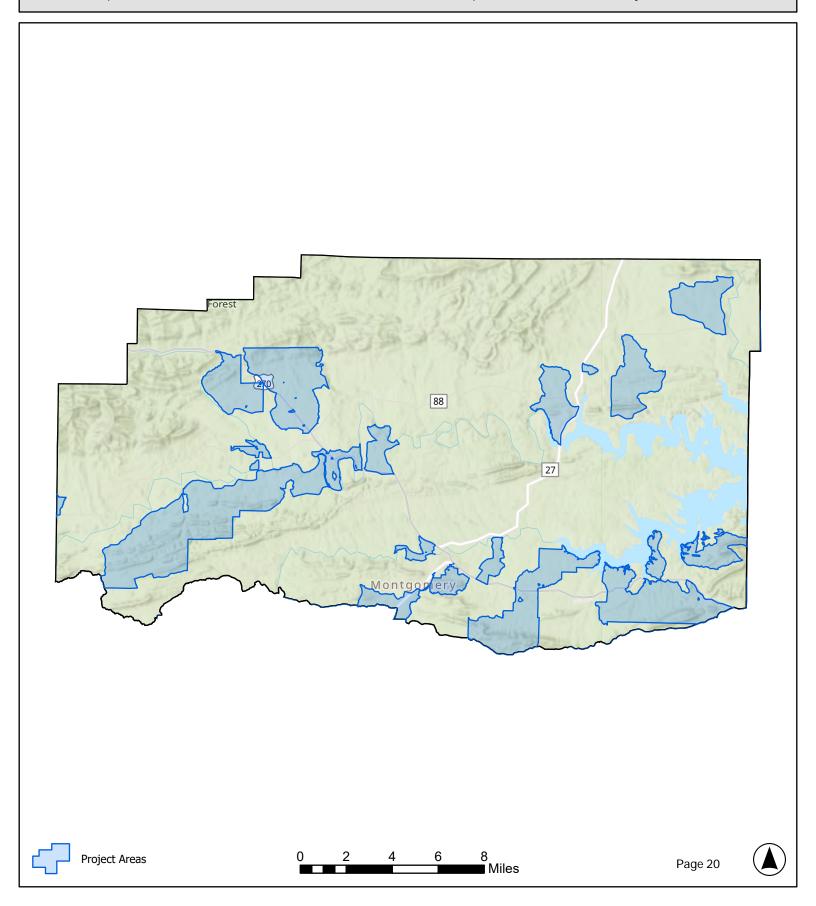


Project ID: Montgomery-A

Top Applicant ISP: Four States Fiber Total Cost of Project: \$14,678,882.09

Number of Households: 1,082 Grant Request Amount: \$11,009,162.57

Grant Cost per Household: \$10,174.83 Grant Request Percent of Total Project Cost: 75%

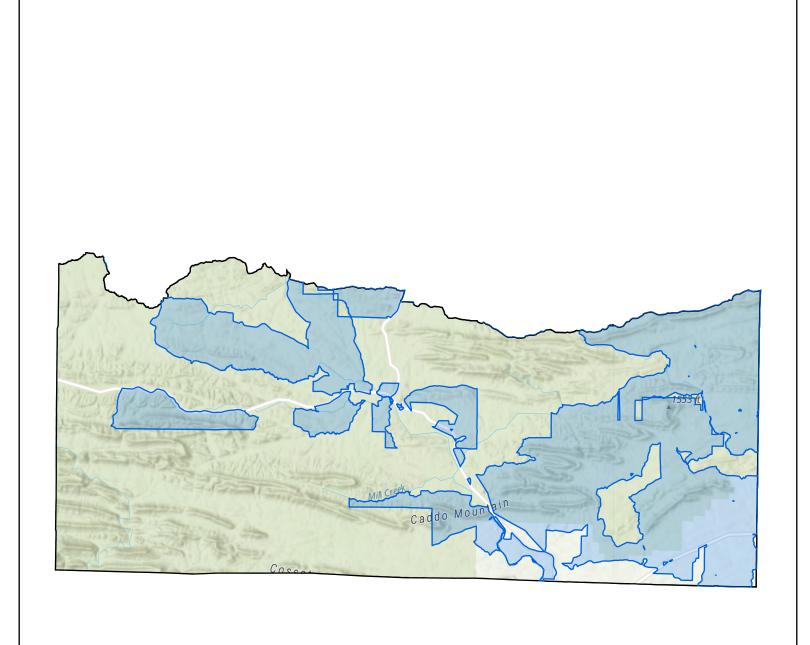


Project ID: Montgomery-B

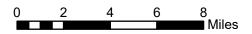
Top Applicant ISP: South Central Connect, LLC Total Cost of Project: \$11,621,606.40

Number of Households: **839** Grant Request Amount: **\$8,716,204.80**

Grant Cost per Household: \$10,388.80 Grant Request Percent of Total Project Cost: 75%







Project ID: Pulaski-A

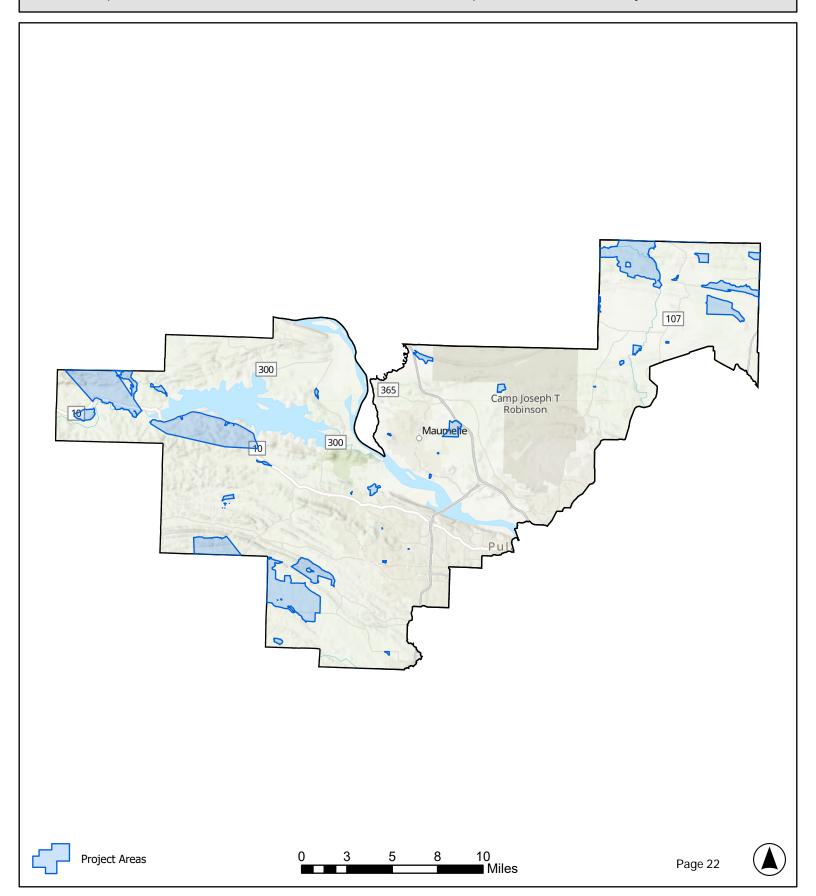
Total Cost of Project: \$7,573,326.99

Top Applicant ISP: Comcast Cable Communications,

LLC

Number of Households: **891** Grant Request Amount: **\$3,884,359.41**

Grant Cost per Household: \$4,359.55 Grant Request Percent of Total Project Cost: 51%



Project ID: Pulaski-B

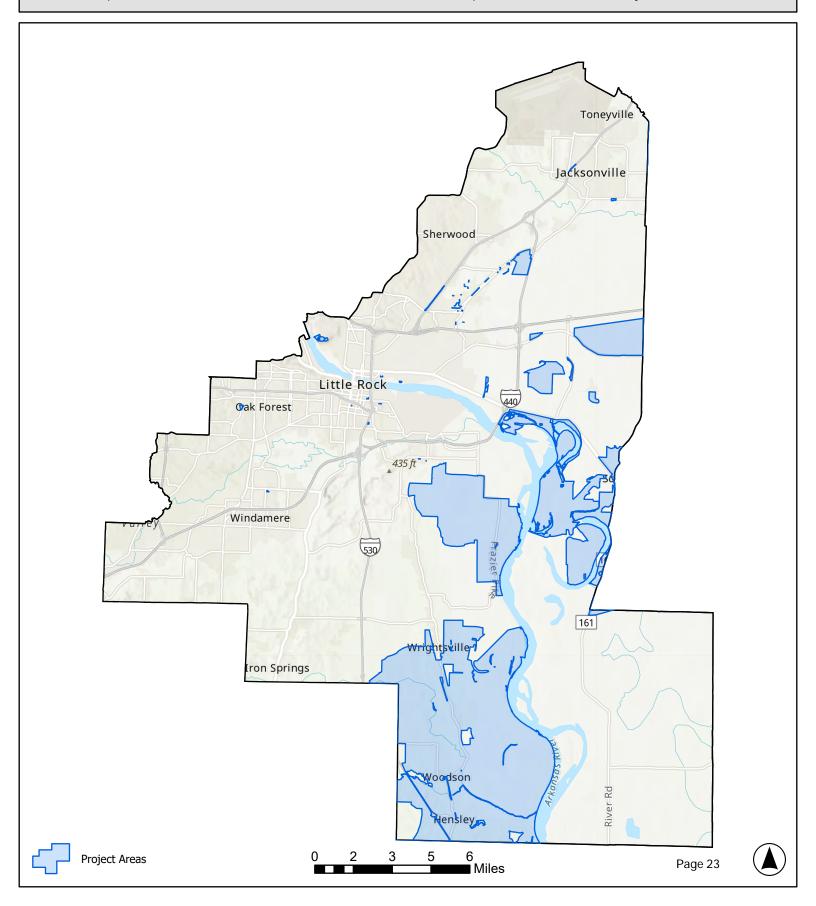
Total Cost of Project: \$5,766,702.78

Top Applicant ISP: Comcast Cable Communications,

LLC

Number of Households: 1,333 Grant Request Amount: \$1,574,886.53

Grant Cost per Household: \$1,181.46 Grant Request Percent of Total Project Cost: 27%



Project ID: Searcy-B

Top Applicant ISP: Petit Jean Electric Cooperative

Corp

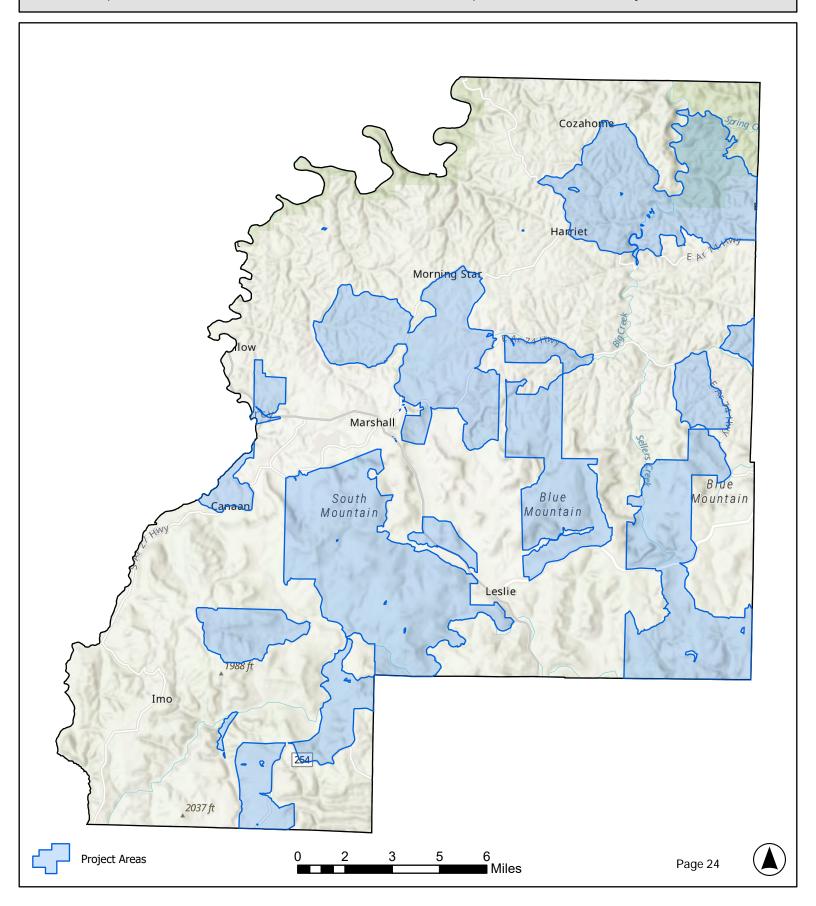
Grant Cost per Household: \$8,128.71

Number of Households: 755

Total Cost of Project: \$8,182,903.16

Grant Request Amount: \$6,137,177.37

Grant Request Percent of Total Project Cost: 75%



Project ID: StFrancis

Top Applicant ISP: Woodruff Electric Cooperative

Corporation dba Enlightened

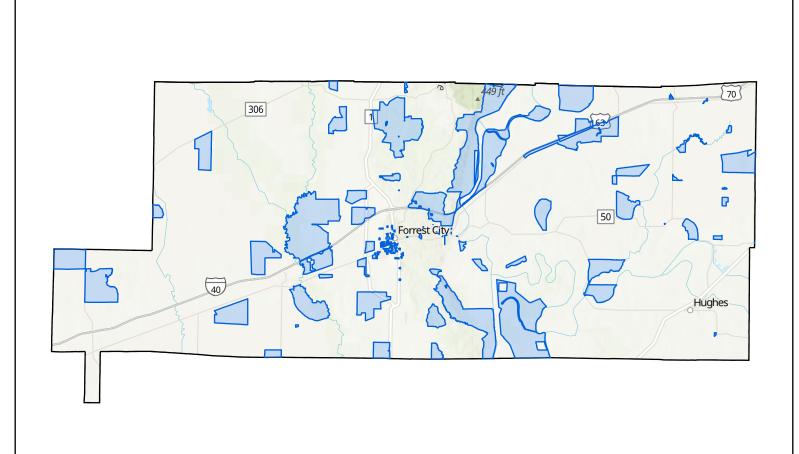
Number of Households: 951

Grant Cost per Household: \$10,173.82

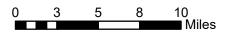
Total Cost of Project: \$13,074,737.66

Grant Request Amount: \$9,675,305.90

Grant Request Percent of Total Project Cost: 74%









AMERICAN RESCUE PLAN ACT OF 2021 PROGRAM APPROPRIATION AND PERSONNEL AUTHORIZATION REQUEST SECTION 37 OF ACT 199 OF 2022

Agency	Agency: Arkansas Economic Development Commission					Business Area Code:		0790		
Pro	ogram Title			A	RPA - Cap	tal Projects F	und - Broadbar	nd		
Granting Organization: U.S. Treasury,			Treasury, A	America Rescue Plan Act (ARPA)			CFDA #:		21.029	
	Effective	Date of Auth	norization:	Beginning:		12/15/22	Er	nding:	06/30	/23
The U.S. Trea Rescue Plan Recovery Fur from Treasur personal serv management and commun payroll for ex the balance respective pr including guid Act, as added through the Territories, a Treasury and	asury has a Act (ARPA) ands (SLFRF y specifies vices match support; control in the support; control in the support area: dance from d by Section CPF Grant and Freely don't he Sifie CPF G	awarded the beautiful for the control of the contro	State of Arrom the CPI Unlike the S y only be of ff; fees for to project of ucational rel act labor). T used for br rd amounts egarding the the America which has be States and I Projects r m has bee	kansas \$158,0 F is separate of SLFRF program used for broad management engineering de ated expenses freasury has al coadband adm . The availabile coronavirus of n Rescue Plan een designed their FAQs iss must invest in	186,576 from the \$ 10, which mand properties to educate the street of th	m the Capita 1.6B in funding by be spent in ects and rela s and strateg v; legal exper e and teach 50,236,576 or expenses thr ects Fund (CF 21 (ARPA). Or nce with Tre 22. Supplement esets designe	rovide thorough in a Projects Funding awarded un a variety of a ated administragic program denses related to citizens how to fithe award to rough 2026. At a subject to a PF) established DPB is facilitating asury's Capital entary guidanced to directly deed for high-signal entary guidanced for high	(CPF) authorized can ative expense asign advisor project manare use and utilibe used for attached is a all applicable by Section 6 ag the distribution Projects Fure may be prepable work,	A State an tegories, to services agement solitze broadband list of grastate and 04 of the sution of the Guidan ablished at education	d Local Fisca he CPF award salaries and and program upport; media and services projects with int awardees Federal laws Social Security e State's CPf ce for States any time by n, and health
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Regular Salar	ies									
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Conference &	Travel Exp	penses								
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Capital Outlay	y									
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Grants and A	id (CI: 04)									150,236,576
Other: 590:0	0:46									7,850,000
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Total				\$						158,086,576
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Org	Pers	Pers	Cost	on separately Position	Cmnt		NO ALICENSIA	Class		fied positions only Line Item
Unit	Area	SubArea	Center	Number	Item	Po	osition Title	Code	Grade	Maximum *

Michael Preston, Arkansas Department of Commerce