



September 10, 2021

Senator Terry Rice, Co-Chair
Representative Jeff Wardlaw, Co-Chair
Arkansas Legislative Council
500 Woodlane Street
Little Rock, AR 72201

Dear Senator Rice and Representative Wardlaw,

As required by Section 27 of Act 1005 of 2021, I have enclosed three (3) Rural Broadband I.D. grant awards for approval by the Arkansas Legislative Council or Joint Budget Committee. The UAMS Institute for Digital Health & Innovation (IDHI) Technical Review Committee completed a thorough evaluation of the applications submitted by the cities and counties. I have enclosed copies of the successful applications with supporting information for your review.

Rural Broadband I.D. Grant Awards

City of Conway– Primary Contact, Felicia Rogers – Award Amount \$75,000.00
City of Lead Hill – Primary Contact, Kathy Frantz – Award Amount \$74,952.00
West Memphis Utility Department – Primary Contact, Ward Wimbish – Award Amount \$72,500

The grants are available to help cities, incorporated towns, counties and unincorporated communities conduct broadband due-diligence business studies. The studies are required in federal grant and loan applications for broadband infrastructure. Communities can use their broadband due-diligence business studies to apply for funding from:

The Federal Communications Commission’s Rural Digital Opportunity Fund Program
The U.S. Department of Agriculture’s Rural eConnectivity Pilot Program (ReConnect)
The U.S. Department of Agriculture’s Farm Bill; and
Other federal grants or loans for broadband development programs.

Sincerely,

A handwritten signature in black ink that reads "Joseph A. Sanford Jr., M.D." The signature is written in a cursive style.

Joseph A. Sanford Jr., M.D.
Director
Institute of Digital Health & Innovation
University of Arkansas for Medical Sciences



Rural Broadband I.D. Trust Fund Program Cover Sheet

Applicant Name: City of Conway, Arkansas

Application Address: 1111 Main Street, Suite 102

Conway, AR 72032

Applicant Phone Number: 501-450-6100

Application Email Address: Felicia.Rogers@conwayarkansas.gov

Applicant Tax ID/EIN#:71-600-1898

Key Contact Person: Felicia Rogers

Total Amount Requested: \$75,000.00

Project Description:

The City of Conway is collaborating with Conway Corporation, the sub recipient, on a due diligence business case study for Rural Broadband. The grant will provide funds to cover costs for broadband due-diligence business studies and planning level efforts. These studies will facilitate preparation for federal grant and loan applications for broadband development programs.

This grant will help fund planning and business case analysis for broadband service extension into three specific areas outside of Conway City Limits. These areas were identified based on the inaccessibility to broadband and Conway Corporation's ability to readily serve the areas.

Project Narrative

Proposed Service Area:

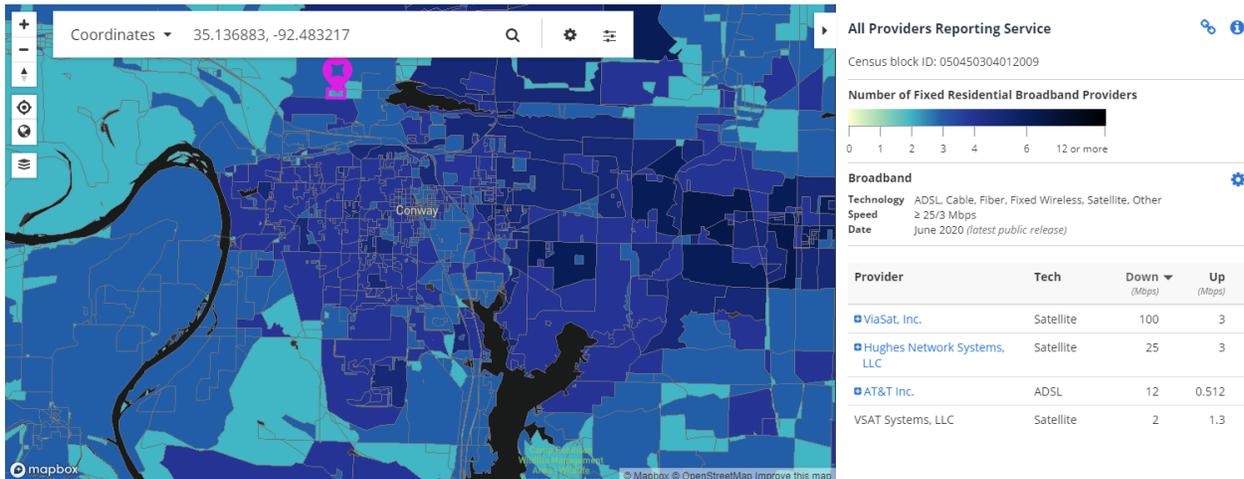
This proposal will serve areas outside the edge of Conway City limits, moving into Faulkner County, Arkansas.

Percent of proposed service area that is underserved by 25/3 broadband:

Location Summary of Conway:

Below are the broadband maps for the three areas in Faulkner County that we are proposing for the broadband needs assessment, as reported through the FCC. Conway is located in an area served by 25/3 broadband but outside of the City, in the areas that we are proposing, there are limited broadband providers with limited bandwidth.

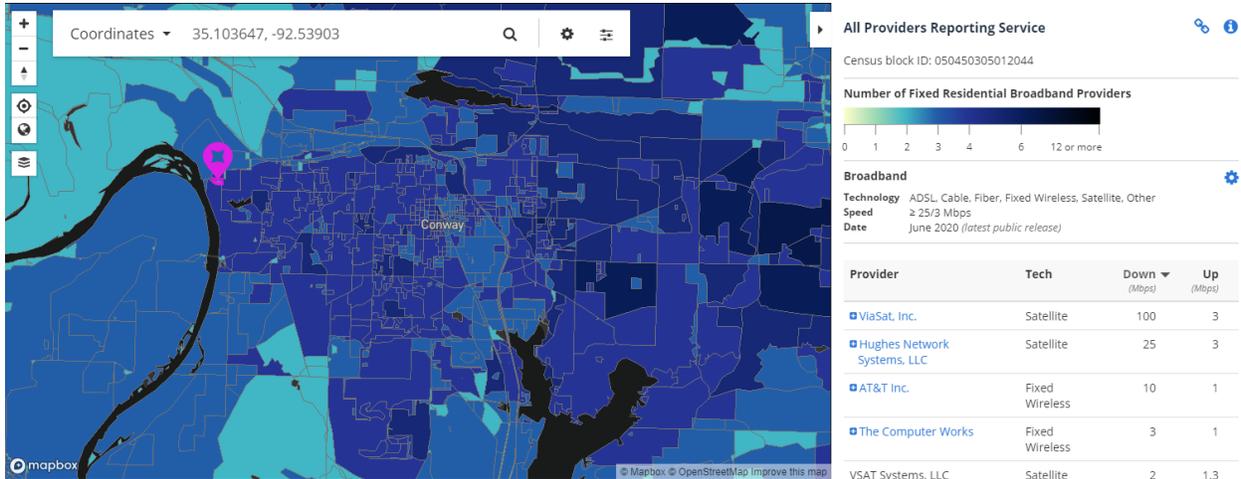
Area 1: Friendship Road and South shore Lane (South side of Beaver Fork Lake)



Area 2: Old Military Road (from City Limits south to Rock Gap)

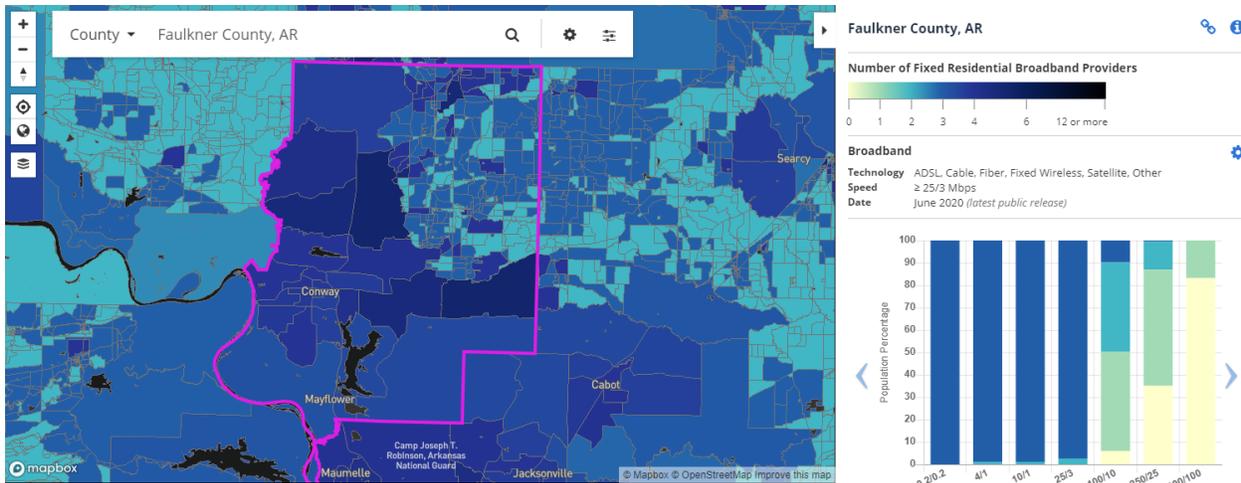


Area 3: Hwy 319 (South of Highway 64 to the Arkansas River)



Area Summary of Faulkner County, Arkansas:

According to the FCC, three providers offer 25/3 broadband to 2% of Faulkner County residents, while three providers offer 25/3 to 97% of the Faulkner County residents.



Total population, number of residents who are rural and urban:

According to the U.S. Census Bureau’s 2019 American Community Survey 5-Year Estimates, the population of Faulkner County, Arkansas is 123,624. The proposed areas for our broadband needs assessment would be considered rural since the specific areas have a population less than 2,500.

Percent of individuals in your proposed service are who are living in poverty:

According to the U.S. Census Bureau’s 2019 American Community Survey 5-Year Estimates, Faulkner County, Arkansas has 16.7% of residents living in poverty.

Faulkner County Residents Medically underserved:

According to the Health Professional Shortage Areas (HPSAs), Faulkner County, Arkansas is a medically underserved area.

	Discipline ⓘ ▲	MUA/P ID ⓘ ▼	Service Area Name ⓘ ▲	Designation Type ⓘ ▲	Primary State Name ⓘ ▼	County ⓘ ▼	Index of Medical Underservice Score ⓘ	Status ⓘ ▼	Rural Status ⓘ ▼	Designation Date ⓘ ▼
+	Primary Care	00160	Faulkner County	Medically Underserved Area	Arkansas	Faulkner County, AR	58.8	Designated	Non-Rural	11/01/1978

Description of Need

Staffing Needs:

The City of Conway has little experience dealing with broadband. However, the City of Conway has a close relationship with Conway Corporation, who provides Conway residents with 25/3 broadband and above, and has experience in working with consultants, managing projects, budgets, and completing projects on a time schedule. Conway Corporation will manage this project and be the service provider in described areas.

Population needs:

According to the U.S. Census Bureau's 2019 American Community Survey 5-Year Estimates for Faulkner County, Arkansas, the majority of our population is over the age of 18. Our community has a mix of 82% White, 11.4% Black, 4.1% Hispanic or Latino, 1.3% Asian and 0.4% American Indian and Alaska Native. 8.8% of Faulkner County residents are living without health insurance coverage, while 14.3% of residents are living with disabilities. A majority of our residents, 91.8%, are High School graduates or higher with 23% having some college or no degree, 7.8% with an Associate's degree, 19.2% with a Bachelor's degree, and 11.4% with a Graduate or professional degree. Males made a median income of \$46,290.00, while Females made \$37,996.00. As of the 2019 estimates, 3.2% of residents worked from home, although we expect these numbers to increase due to COVID-19. As of 2010, our poverty rate was 15.8%.

Broadband needs:

Although the FCC indicates that a portion of our proposed areas in Faulkner County, Arkansas are served with 25/3 broadband, in conversations with residents from these areas we have found that this is not the case. A large percentage of residents in these areas have started working from home or attending school virtually, due to COVID-19. Adequate broadband coverage would be a positive solution for the residents in these areas, allowing them to work and learn from a remote setting.

Internet Service Provider relationship needs:

The City of Conway has a long-standing relationship with Conway Corporation, who provides 25/3 broadband and above to the city residents. Conway Corporation will oversee the design and due diligence business case study with the consultant to determine the needs in the proposed areas.

Financial needs:

Conway Corporation is a not for profit organization that operates as a city owned utility. The City owns the cable systems and rates are established for City customers, the areas surrounding are so sparsely populated that the rate is not there to extend the broadband. The Telecommunication/Engineering budget is based on rates of existing customers inside the City limits. The customers are spread out and broadband providers have bypassed these areas because of lack of revenue to recoup capital investment. Since there are no funds to extend into the county, residents would have to pay 100% of extension or billed at a rate that would be unattainable.

Community Relationship needs:

Several residents in the proposed areas have reached out to Conway Corporation about serving broadband in these areas.

Description of Plan:

Through this study, we plan to achieve the following:

- Contract with a broadband consultant to prepare outside plant designs and bill of materials, as well as, project estimation, feasibility studies, and return on investment (ROI) projections.

We have considered the following broadband consultants for this grant:

- CT&T

We have been in communication with the following Internet Service Provider to conduct a feasibility study:

- Conway Corporation

Our objectives and timeline are as follows:

Month 1: Objective – Launch the broadband design and due diligence study

Month 1 Goals:

- Meet with potential broadband consultants and Conway Corporation to discuss timeframe, preparation and plant designs

- Identify preliminary designs of the areas

Month 2: Objective – Decision making for the due diligence study

Month 2 Goals:

- Hire broadband consultant, which will work directly with Conway Corporation
- Meet with Conway Corporation on next steps related to contracts, outside plant designs, bill of materials, etc.
- Receive monthly updates about the feasibility study

Month 3: Objective – Design and Due Diligence study

Month 3 Goals:

- Conway Corporation will work with consultant on project estimation, feasibility studies, and ROI projections
- Continue receiving monthly updates about the feasibility study

Month 4: Objective - Complete preliminary designs of the areas

Month 4 Goals:

- Consultant will field stake, walkout and strand map the proposed areas
- Continue receiving monthly updates about the feasibility study

Month 5: Objective - Documentation

Month 5 Goals:

- Consultant will prepare documentation of due diligence study findings
- Conway Corporation will make adjustments to the study as needed
- Continue receiving monthly updates about the feasibility study

Month 6: Objective - Identify and complete preliminary designs of the areas

Month 6 Goals:

- Conway Corporation will share the final draft of the design and due diligence study
- Consultant will complete designs of the areas

Final Products:

- City of Conway/Conway Corporation Broadband designs and due diligence study

Conway Corporation will discuss pursuing additional grant funding with the City of Conway for Rural Broadband. The USDA Rural Utilities grant and the Arkansas Rural Connect grant opportunities would be the two initial that we would try to pursue.

Budget

Budget Categories	Cost
Personnel	-
Fringe Benefits	-
Travel	-
Equipment	-
Supplies	-
Contractual	\$73,000.00
Surety Bond	\$2,000.00
Total Request	\$75,000.00

The budget consists of a consultant, at \$73,000.00, to create a design and due diligence study for broadband in three proposed areas surrounding the City of Conway. The consultant will prepare outside plant designs and bill of materials, as well as, project estimation, feasibility studies, return on investment (ROI) projections, field staking, walkout, strand mapping services, prepare construction drawings and prepare contract documentation. In order to complete these tasks, we have budgeted \$73,000.00.

We are also including the cost of covering the surety bond at \$2,000.00.

Brett McDaniel
1586 Cadron Settlement Rd.
Conway, AR 72034

Re: Rural Broadband Support

To Whom It May Concern,

I am writing to express support for The City of Conway's Rural Broadband I.D. Trust Fund Program grant application. I am a resident in one of the potential areas, Highway 319, where broadband is currently not available. There are several residential homes in the area that would benefit from broadband connectivity, whether it be children learning remotely or adults telecommuting. Additionally there is a commercial business and a Federal park operated by the City of Conway in this area. I am thrilled for this potential opportunity and look forward to seeing how Conway Corporation can serve the residents of Cadron Settlement with reliable broadband.

Sincerely,

A handwritten signature in blue ink that reads "Brett McDaniel". The signature is written in a cursive style with a large, stylized "D" at the end.

Brett McDaniel

**Rural Broadband I.D. Trust Fund Program
Cover Sheet**

Applicant Name: City of Lead Hill, Arkansas

Applicant Address: 150 Hwy 14, PO Box 10, Lead Hill, Arkansas 72644

Applicant Phone Number: 870 436 5221

Applicant Email Address: leadhill@leadhill.net

Applicant Tax ID or EIN Number: 71-0500497

Key Contact Person: Kathy Frantz

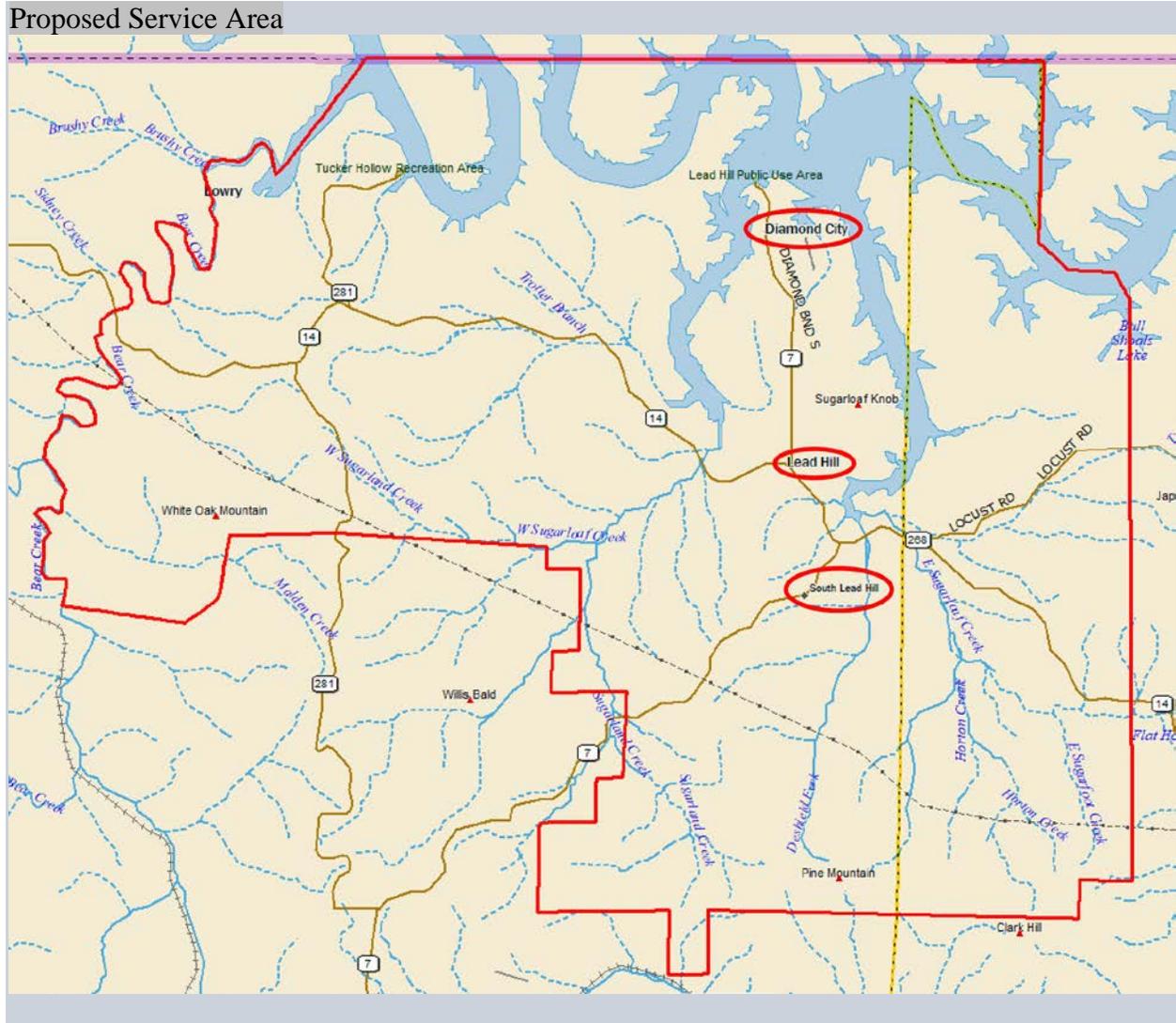
Total Amount Requested: 74,952

Project Description:

Lead Hill is seeking to expand their city and surrounding areas with reliable, affordable, and dependable broadband access. We feel this is critical to the growth and viability of our town. This will improve the everyday life of the businesses and families that depend on this access in their daily lives. We are working with Higher Vision Works, who is currently providing access to some of our community. Our city council has approved to continue our working relationship with them as we seek to improve our current capabilities and expand our area of coverage.

Project Narrative

Introduction



Areas to be served are outlined in red on the map. This is roughly the area of the Lead Hill School District and surrounding areas to Lead Hill, Ar

Percent of your proposed service area that is unserved by 25/3 broadband
91%

“Area Summary” from <https://broadbandmap.fcc.gov/#/>

Technology ADSL, Cable, Fiber, Fixed Wireless
 Speed ≥ 25/3 Mbps
 Date June 2020 (latest public release)

Percentage of population with broadband providers

United States (National)

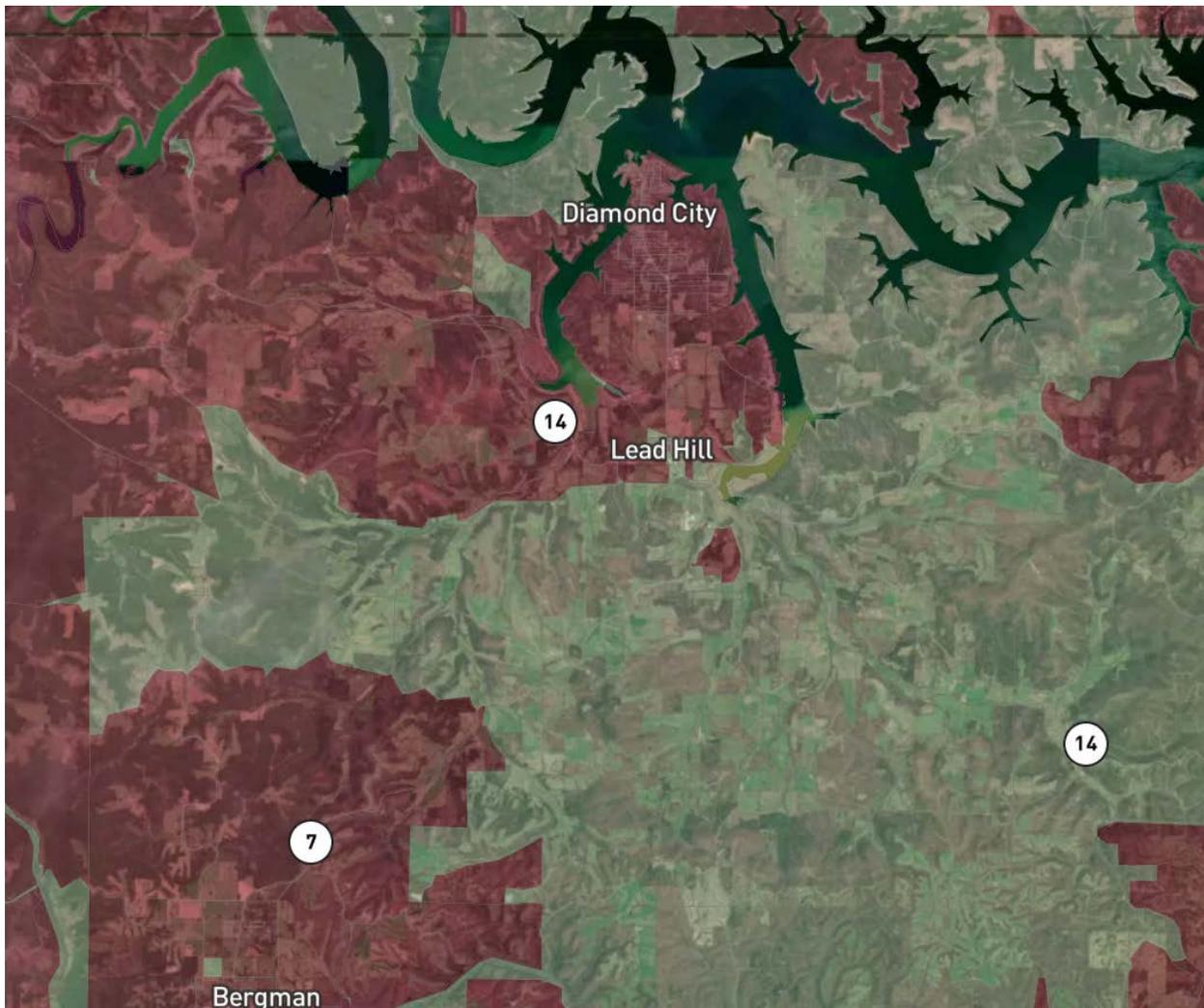
Area	no providers					1 or more providers					2 or more providers					3 or more providers				
	all	urban	rural	non-tribal	tribal	all	urban	rural	non-tribal	tribal	all	urban	rural	non-tribal	tribal	all	urban	rural	non-tribal	tribal
Nationwide	3.75	1.09	14.63	3.58	17.70	96.25	98.91	85.37	96.42	82.30	76.19	83.17	47.73	76.53	48.97	32.17	36.11	16.11	32.29	22.58

Census Place

Search: lead hill

Area	no providers					1 or more providers					2 or more providers					3 or more providers				
	all	urban	rural	non-tribal	tribal	all	urban	rural	non-tribal	tribal	all	urban	rural	non-tribal	tribal	all	urban	rural	non-tribal	tribal
Lead Hill, AR	91.07	--	91.07	91.07	--	8.93	--	8.93	8.93	--	0.00	--	0.00	0.00	--	0.00	--	0.00	0.00	--
South Lead Hill, AR	100.00	--	100.00	100.00	--	0.00	--	0.00	0.00	--	0.00	--	0.00	0.00	--	0.00	--	0.00	0.00	--

Rows per page: 200



Area in red above allegedly has 1 or more providers with 25/3 speeds. We disagree with the FCC report because all a fiber provider needs to do is cover one home in a census block and the entire

block is “covered” by their definition. We know for a fact, many of these census blocks have fiber but only along one street in a given block.

Total population, number of residents who are rural and urban

The population of our proposed service area is 2,497 according to current census data. 100% of our proposed service area is all rural. We found this data at <https://www.census.gov/data.html>

Percent of individuals in your proposed service area who are living in poverty

According to the US Census Bureau, Lead Hill, Arkansas has 16.2% of residents living in poverty. We found this information at <https://www.census.gov/data.html>

Medically underserved

Lead Hill town is not in a MUA medically underserved area. We found this information by searching <https://data.hrsa.gov/tools/shortage-area/mua-find>

Description of need

Staffing needs:

We will be relying on Higher Vision Works to handle this project completely. They will be reporting to Kathy Frantz on the progress of the project on a monthly basis. Lead Hill does not have the budget to hire staff to oversee this project.

Higher Vision Works will provide a project manager to oversee the work. In addition, they will provide qualified wireless and network engineers experienced with building out internet services to rural communities.

Population needs:

According to the US Census Bureau Profile for Lead Hill town, Arkansas, the majority of our population (77.6%) is over 18 years of age. Over 11% of our residents experience difficulty living independently and 19.1% have ambulatory difficulty. Most of our residents (57%) have a high school degree or equivalent, with 14% having some college or no degree. Males made a median income of \$46,875, while females made \$23,750.00. We have a veteran population of 12.4%. As of the current survey, our employment rate was 58.2%. We found this information at <https://www.census.gov/data.html>

Broadband needs:

The community has the start of fiber from NATCO, but it only runs along the main road (Highway 14) and does not reach many people in the area. Other options are not reliable. It will be a substantial amount of time before NATCO can reach more people and the population cannot wait. Even in areas covered by NATCO, people have complained about service and performance. They want choice as well.

Internet Service Provider relationship needs:

We currently have a good working relationship with Higher Vision Works. Our city council has met with them to discuss the expansion and improvement of the service they currently provide. We have approved to continue this relationship.

Financial needs:

Lead Hill, Arkansas is an economically depressed area. Currently the main source of revenue is tourism and with the Corp of Engineers keeping the lake so high to provide flood control on the Mississippi and below the Bull Shoals Dam farming area, the tourism has suffered in the last 5 years. The City of Lead hill is in a declining revenue status and is hard pressed to provide for basic needs with the current revenue. Our total annual budget is \$452,940.00. There is no money to study or fund a proposal for improving internet service to the area which the City of Lead hill Commission feels is vital to the growth and development of Lead Hill and surrounding areas.

Community relationship needs:

The city of Lead Hill, Arkansas and especially the surrounding area is much underserved in terms of internet access. In this day and age internet connectivity of a broadband nature is no longer a nice to have but a necessity. Customers of a viable broadband internet service would be able to utilize telemedicine platforms to connect to their medical professionals, thereby saving time and travel to hospitals or specialists in Branson, Missouri, Springfield, Missouri, and Harrison, Arkansas; all over 45 minutes to one hour away. Broadband access would improve the quality of life of local residents thereby enabling individuals to obtain employment in a work from home option. Broadband access would help the local school district to enable their children to become better educated and in the event of another Covid type shut down, enable them to keep in contact with their students. In addition to all of the above it would enable businesses who need internet access to locate to the Lead Hill Area.

Description of plan (up to 25 points)

The main objective of this project will be to improve our existing service area and expand this area to reach more residents and businesses.

We plan to use Higher Vision Works to accomplish this goal. We have met with them on several occasions and our city council has approved them as the contractor who will handle this expansion. We believe we could complete the feasibility phase of this effort in about 2 months.

	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6
Goal 1: Identify existing towers that need equipment upgrades	X					
Goal 2: Identify areas where new towers need to be constructed or identify other existing towers for their feasibility in expanding the service area	X	X	X			
Goal 3: Submit Reporting to UAMS IDHI				X		X

While we are not familiar with broadband grants and loans we may pursue, we understand the Higher Vision Works ISP is skilled at pursuing broadband grants. We will lean heavily on our ISP partner to make certain we take this plan as far as possible through future federal grants and loans. We plan to pursue the USDA Rural Development Loan Grant Program (<https://www.rd.usda.gov/programs-services/rural-economic-development-loan-grant-program>).

Budget

Budget Categories	Cost
Personnel	\$0
Fringe Benefits	\$0
Travel	\$0
Equipment	\$0
Supplies	\$0
Contractual	\$73,452
Other (Surety Bond)	\$ 1,500
Total Request	\$74,952

Budget Justification:

Personnel

We have a number of tasks that need to be completed. We break this project up into 4 phases.

Preparation Phase

Prepare maps (in mapping tool), deep dive into demographics for area to be served, put together a tentative plan for how to cover the area so our onsite can be properly focused. This phase requires the use of three skill sets: GIS Technician (for map making), Project Coordinator (for demographic research), and Wireless Engineer (for preliminary design plan). This phase represents about 68 labor hours between the three resources.

Onsite Phase

During this phase our crew will evaluate the sites, look for new sites, validate coverage capability, and confirm competitive offerings. This is roughly 7 days onsite. The crew will consist of a Tower Crew (2 certified climbers), Wireless Engineer, Network Engineer, Drone Pilot, and Project Coordinator. The Project Coordinator will not be onsite during this phase. Total required hours are roughly 236 between all resources. Travel expenses will be required for the Wireless Engineer, Drone Pilot, and Network Engineer as Higher Vision uses outside resources for these roles (no local resources like this available).

Expenses during this phase are limited to mileage at Federal reimbursement levels, local hotel, rental vehicle for the network engineer, airfare for the network engineer, and per diem at federal rates.

Generate Plan Phase

During this phase we will use the information gathered and formulate a solid network design and plan to build out the area. We will require the services of a Wireless Engineer, Network Engineer, and Project Coordinator. Total hours around 300 hours for this phase.

Budget and Final Phase

Now that we have a plan, we will seek out pricing from various parts vendors and tower crews to put together an implementation budget for the next phase of this project, which would be deployment. We will need a Wireless Engineer, Network Engineer, Project Coordinator, and GIS Technician to complete this phase. Total hours will be roughly 116.

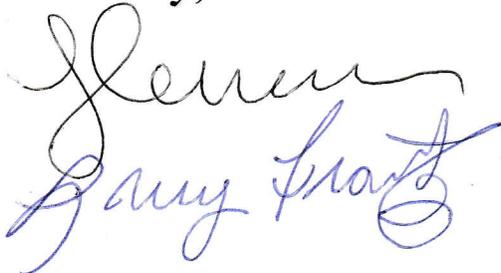
City of Lead Hill
Cale Thompson - Mayor

150 Highway 14 PO Box 10, Lead Hill, AR 72644
(870)436-5221 FAX: (870)436-3123 Email: leadhill@leadhill.net

June 22, 2021

The Lead Hill City Council believes that rural broadband in our community is greatly needed. We feel this study will be beneficial to our community by discovering more areas that need broadband internet services. We have many school children who live in very rural areas who would benefit the most. The opportunity for the residents in rural America would greatly increase by finding solutions to this issue. We are excited to get this study started and are appreciative to have this opportunity in our community.

Sincerely,



Kathy Frantz
126 Mimosa St
Lead Hill, AR 72644

June 21, 2021

The past year has shown us the great need for better internet services for rural America. I feel the need in our community should be a high concern after experiencing the struggles when we had to start virtual learning with the school district. I believe this study would help find the key areas that need to be addressed to give not only the school aged children what they need but to also open up many opportunities for rural communities to benefit from as well.

Thank you,

A handwritten signature in cursive script that reads "Kathy Frantz". The signature is written in dark ink and is positioned above the printed name.

Kathy Frantz

Karen King
Manager of White Oak
gas station / convenience store

June 21, 2021

Our rural community will benefit from the study for better broadband internet. To help the children with virtual learning abilities, help people to be able to have teledoc appointments with their physician, and provide small town America with more resources. I am so happy to support this endeavor.

Thank you,

Karen King

A handwritten signature in cursive script that reads "Karen King".

 **Claude Parrish
Community Health Clinic**

P.O. Box 366 • Lead Hill, Arkansas 72644
Phone: (870) 436-5271 • Fax: (870) 436-5272

June 22, 2021

To Whom It May Concern

It is in my opinion that our rural community would benefit from a study for better broadband internet. This would benefit our children with virtual learning and our community members with better access to medical care through virtual visits. This would definitely provide our small town with more resources. I am very happy to support this endeavor.

Thanking you in advance for your kind consideration,



Robin A Fojas, PA-C

Robin.fojas@narmc.com

870 436-5271

West Memphis Utility Department
604 East Cooper Avenue, West Memphis, Arkansas 72301
(870) 735-3355
wwimbish@westmememphisar.gov
71-6012481
Mr. Ward Wimbish, Assistant General Manager, West Memphis Utilities

\$72,500.00

The West Memphis Utility Department is partnering with CCG Consulting and Finley Engineering for a broadband feasibility study. This proposal consists of the following task: Basic market research that tells us the products and prices in the market today from the various ISPs working in and around the city. An online residential survey, an online business survey, and online speed tests to help us identify issues with existing broadband. They are proposing a statistically valid telephone survey so that they can quantify the likely percentage of people in the city that would buy broadband from a new network. An engineering estimate of the cost of building a new broadband network in the city. A financial analysis that shows if you could be profitable with a new broadband network. An analysis of likely funding sources. A written report that brings all the research together and which will contain specific recommendations on the next steps to take after the study is complete.

Introduction

The City of West Memphis Utility is seeking to broaden the ability and affordability of 25/3 broadband service with data collected from the Fiber Feasibility Study. Currently, residents cannot afford the 25/3 services being offered to them. The City of West Memphis has utilized broadbandmap.fcc.gov/#/ to seek coverage information and we will this data described is misleading. Internal polls with citizens of West Memphis have been conducted with assistance from the West Memphis Chamber of Commerce and most of the persons taking the survey say they have slow upload and download speeds.

The City of West Memphis has 24,414 residents. 24,340 of those residents are considered urban and 74 are considered rural.

According to the 2019 American Community Survey, 26.3% of the population of West Memphis is considered at the poverty level.

The City of West Memphis (Crittenden County) is showing to be medically underserved in Primary Care as described by data.hrsa.gov/tools/shortage-area/mua-find. Crittenden County shows an Index of Medically Underserved Score of 34.2.

Description of Need

The City of West Memphis Utility has a diverse staff of well-trained personnel. These personnel do not have the subject matter expertise to conduct a Fiber Feasibility Study. The technical data and personnel it will take to conduct the study far exceeds the ability of any staff member of the West Memphis Utility.

The City of West Memphis is 58% African American, 36.4% White, 0.1% American Indian/Alaskan Native, 0.5% Asian, and 5% Other.

A survey was conducted to determine internet speed for West Memphis Residents. 79 speed tests were recorded and 48 did not meet the 25/3 minimum standard. All Citizens of West Memphis will benefit from the West Memphis Utility being able to provide fiber at a cost our consumers can afford. The City of West Memphis has not been awarded any grants or loans for broadband use of the last 2 years.

The City of West Memphis is exploring Fiber Feasibility in our area. The main driving purpose for this endeavor is to give our citizens a better option for broadband internet. The providers currently offering broadband internet to our citizens do not have a positive history of reliable service or favorable customer service. The City of West Memphis Utility will be an option for citizens of West Memphis to obtain reliable, customer friendly broadband internet.

The West Memphis Utilities had 2020 revenues of \$26.424 million vs expenses of \$26.486 million. Although that was not a large loss, it is indicative of a current trend. Due to a decreasing population base and more energy efficient appliances, we sell over 10% less electricity than we did in the past. We live in the economically challenged Delta region of the state and strive to maintain the second lowest rates in the state to benefit our customers. Additionally, we are dealing with an aging infrastructure and have just gone to the bond market

to finance \$30 million worth of upgrades for our sewer treatment plant. We will be living with \$1.5 million of bond payments for the next 30 years. The Utilities is currently under a consent agreement with the Arkansas Energy and Environment Department (formerly the Arkansas Department of Environmental Quality, ADEQ) and, for the foreseeable future, will be dedicating several million dollars a year to infrastructure improvements to satisfy conditions of that agreement. Last year we experienced almost \$2 million worth of unexpected, and unbudgeted, repairs due to sinkhole suddenly developing under some of our structures. These sinkholes were due to a high-water table caused by the Mississippi River being out of its banks for an unprecedented 18 months and we are already experiencing new sinkholes this year. Lastly, early this year, the control building for our flood pump station experienced a fire and we are now faced with spending over \$1 million to replace the controls and build a new building.

For the foreseeable future, these unplanned expenses will be eating into the Utilities reserves. It is necessary to maintain a reliable reserve to cover unexpected energy costs (such as the cost incurred during February's cold wave) or costs to restore services after natural disasters such as the tornado the community experienced in 1987 or the ice storm of 1991. Often costs are eventually reimbursed by FEMA but that occurs months after the expenditure. The Utilities must have deep pockets to immediately pay for the large quantity of materials, equipment, overtime, and extra crews needed during the early weeks of recovery.

The community wants the Utilities to explore a fiber operation because of the poor service it gets now. The Utilities is risk averse and does not want to spend funds studying a project that might not be feasible. If the study demonstrates the project is feasible, the Utilities will hopefully be able to access federal funds that have been promised to the city but are not available just yet. If they come available, the Utilities must be ready to move forward very quickly to commit the funds.

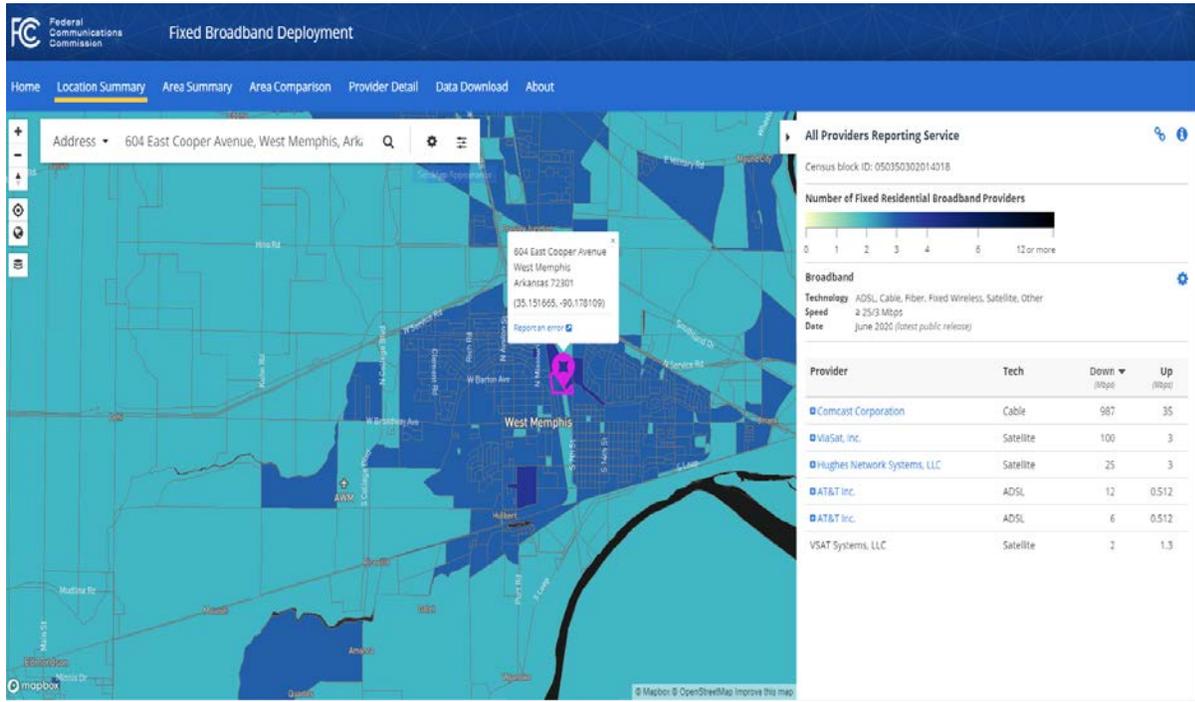
The City of West Memphis has a strong bond with community leaders. The City of West Memphis Utility touts some of the lowest utility rates in the State of Arkansas. Our goal is to make broadband internet a subject of this conversation to make high speed internet affordable for all citizens of West Memphis. Community Leaders support low rates and will be able to pass on to their constituents their endorsement of this broadband project.

Description of Plan

The City of West Memphis Utility is partnering with CCG Consulting and Finley Engineering for a Fiber Feasibility Study in West Memphis, Arkansas. The Fiber Feasibility Study includes Basic Market Research, an online residential survey, an online business survey, and online speed test, an engineering estimate of the cost of building a new broadband network in the City of West Memphis, a financial analysis to show profitability, an analysis of possible funding sources, and a written report that brings all the research together and future steps to take after the study is conducted.

Rural Broadband I.D. Expenses Trust Fund Grant
 West Memphis Utility Department
 Project Narrative Supplement
 June 29, 2021

City of West Memphis 25/3 Broadband Coverage



Description of plan

The City of West Memphis Utility Department is seeking funding through the Rural Broadband I.D. Expenses Trust Fund Grant to obtain a broadband feasibility study. The West Memphis Utility has been in discussions with CCG Consulting/ Finley Engineering to conduct this study. CCG advises a feasibility study normally takes 4 months to complete. X's have been placed in each month's category to describe a time frame for completion of that task. Month's 5 and 6 should not be necessary for this study.

Below is a chart containing goals and timelines to complete these tasks:

	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6
Goal 1: Market Research including online surveys and interviews	X	X				
Goal 2: Statistically Valid Surveys		X				
Goal 3: Engineering Analysis		X	X			
Goal 4: Financial Business Models				X		
Goal 5: Written Business Plan/Presentations				X		

At the conclusion of this feasibility study, our goal is to have a written report in hand to discuss the findings with our elected officials and the public. This information will allow us to discuss our plan of broadband expansion with multiple stakeholders.

Multiple funding opportunities have presented themselves for broadband expansion through the federal government and the West Memphis Utility will seek out every option available to move this project forward.

Internet Service Provider relationship needs:

The West Memphis Utility does not have a relationship with an Internet Service Provider on this project.

Budget Justification

OBJECT CLASS CATEGORY

C. Travel- \$1,500

- The proposal includes an engineering trip to the City of West Memphis. The pricing of the proposal is an estimated cost of travel expenses. Actual travel will be billed without markup.

F. Contractual- \$67,500.00

- Market Research (Rate Analysis) including online surveys and interviews \$3,000.00.
- Statistically Valid Survey to determine who is interested in buying broadband from a new provider \$9,000.00.
- Engineering Analysis to determine network high-level design and cost \$37,500.00.
- Financial Business Model to include a financial business plan relative to the organization, operating cost, overheads, and materials to operate the business \$8,500.00.
- Written Business Plan/Presentations will be a written comprehensive report at the end of the process that includes the research done as well as the results obtained \$9,500.00.

H. Other- \$3,500.00

- Surety Bond to be filed with Arkansas Treasurer of State. \$3,500.00

Total= \$72,500.00

BUDGET INFORMATION - Non-Construction Programs

OMB Approval No. 0348-0044

SECTION A - BUDGET SUMMARY

Grant Program Function or Activity (a)	Catalog of Federal Domestic Assistance Number (b)	Estimated Unobligated Funds		New or Revised Budget		
		Federal (c)	Non-Federal (d)	Federal (e)	Non-Federal (f)	Total (g)
1.		\$	\$	\$	\$	\$
2.						
3.						
4.						
5. Totals		\$	\$	\$	\$	\$

SECTION B - BUDGET CATEGORIES

6. Object Class Categories	GRANT PROGRAM, FUNCTION OR ACTIVITY				Total (5)
	(1)	(2)	(3)	(4)	
a. Personnel	\$	\$	\$	\$	\$
b. Fringe Benefits					
c. Travel					
d. Equipment					
e. Supplies					
f. Contractual					
g. Construction					
h. Other					
i. Total Direct Charges (sum of 6a-6h)					
j. Indirect Charges					
k. TOTALS (sum of 6i and 6j)	\$	\$	\$	\$	\$

7. Program Income	\$	\$	\$	\$	\$
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SECTION C - NON-FEDERAL RESOURCES

(a) Grant Program	(b) Applicant	(c) State	(d) Other Sources	(e) TOTALS
8.	\$	\$	\$	\$
9.				
10.				
11.				
12. TOTAL (sum of lines 8-11)	\$	\$	\$	\$

SECTION D - FORECASTED CASH NEEDS

	Total for 1st Year	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
13. Federal	\$	\$	\$	\$	\$
14. Non-Federal					
15. TOTAL (sum of lines 13 and 14)	\$	\$	\$	\$	\$

SECTION E - BUDGET ESTIMATES OF FEDERAL FUNDS NEEDED FOR BALANCE OF THE PROJECT

(a) Grant Program	FUTURE FUNDING PERIODS (Years)			
	(b) First	(c) Second	(d) Third	(e) Fourth
16.	\$	\$	\$	\$
17.				
18.				
19.				
20. TOTAL (sum of lines 16-19)	\$	\$	\$	\$

SECTION F - OTHER BUDGET INFORMATION

21. Direct Charges:	22. Indirect Charges:
23. Remarks:	

INSTRUCTIONS FOR THE SF-424A

Public reporting burden for this collection of information is estimated to average 180 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0044), Washington, DC 20503.

PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.

General Instructions

This form is designed so that application can be made for funds from one or more grant programs. In preparing the budget, adhere to any existing Federal grantor agency guidelines which prescribe how and whether budgeted amounts should be separately shown for different functions or activities within the program. For some programs, grantor agencies may require budgets to be separately shown by function or activity. For other programs, grantor agencies may require a breakdown by function or activity. Sections A, B, C, and D should include budget estimates for the whole project except when applying for assistance which requires Federal authorization in annual or other funding period increments. In the latter case, Sections A, B, C, and D should provide the budget for the first budget period (usually a year) and Section E should present the need for Federal assistance in the subsequent budget periods. All applications should contain a breakdown by the object class categories shown in Lines a-k of Section B.

Section A. Budget Summary Lines 1-4 Columns (a) and (b)

For applications pertaining to a *single* Federal grant program (Federal Domestic Assistance Catalog number) and *not requiring* a functional or activity breakdown, enter on Line 1 under Column (a) the Catalog program title and the Catalog number in Column (b).

For applications pertaining to a *single* program *requiring* budget amounts by multiple functions or activities, enter the name of each activity or function on each line in Column (a), and enter the Catalog number in Column (b). For applications pertaining to multiple programs where none of the programs require a breakdown by function or activity, enter the Catalog program title on each line in *Column* (a) and the respective Catalog number on each line in Column (b).

For applications pertaining to *multiple* programs where one or more programs *require* a breakdown by function or activity, prepare a separate sheet for each program requiring the breakdown. Additional sheets should be used when one form does not provide adequate space for all breakdown of data required. However, when more than one sheet is used, the first page should provide the summary totals by programs.

Lines 1-4, Columns (c) through (g)

For new applications, leave Column (c) and (d) blank. For each line entry in Columns (a) and (b), enter in Columns (e), (f), and (g) the appropriate amounts of funds needed to support the project for the first funding period (usually a year).

For continuing grant program applications, submit these forms before the end of each funding period as required by the grantor agency. Enter in Columns (c) and (d) the estimated amounts of funds which will remain unobligated at the end of the grant funding period only if the Federal grantor agency instructions provide for this. Otherwise, leave these columns blank. Enter in columns (e) and (f) the amounts of funds needed for the upcoming period. The amount(s) in Column (g) should be the sum of amounts in Columns (e) and (f).

For supplemental grants and changes to existing grants, do not use Columns (c) and (d). Enter in Column (e) the amount of the increase or decrease of Federal funds and enter in Column (f) the amount of the increase or decrease of non-Federal funds. In Column (g) enter the new total budgeted amount (Federal and non-Federal) which includes the total previous authorized budgeted amounts plus or minus, as appropriate, the amounts shown in Columns (e) and (f). The amount(s) in Column (g) should not equal the sum of amounts in Columns (e) and (f).

Line 5 - Show the totals for all columns used.

Section B Budget Categories

In the column headings (1) through (4), enter the titles of the same programs, functions, and activities shown on Lines 1-4, Column (a), Section A. When additional sheets are prepared for Section A, provide similar column headings on each sheet. For each program, function or activity, fill in the total requirements for funds (both Federal and non-Federal) by object class categories.

Line 6a-i - Show the totals of Lines 6a to 6h in each column.

Line 6j - Show the amount of indirect cost.

Line 6k - Enter the total of amounts on Lines 6i and 6j. For all applications for new grants and continuation grants the total amount in column (5), Line 6k, should be the same as the total amount shown in Section A, Column (g), Line 5. For supplemental grants and changes to grants, the total amount of the increase or decrease as shown in Columns (1)-(4), Line 6k should be the same as the sum of the amounts in Section A, Columns (e) and (f) on Line 5.

Line 7 - Enter the estimated amount of income, if any, expected to be generated from this project. Do not add or subtract this amount from the total project amount, Show under the program

INSTRUCTIONS FOR THE SF-424A (continued)

narrative statement the nature and source of income. The estimated amount of program income may be considered by the Federal grantor agency in determining the total amount of the grant.

Section C. Non-Federal Resources

Lines 8-11 Enter amounts of non-Federal resources that will be used on the grant. If in-kind contributions are included, provide a brief explanation on a separate sheet.

Column (a) - Enter the program titles identical to Column (a), Section A. A breakdown by function or activity is not necessary.

Column (b) - Enter the contribution to be made by the applicant.

Column (c) - Enter the amount of the State's cash and in-kind contribution if the applicant is not a State or State agency. Applicants which are a State or State agencies should leave this column blank.

Column (d) - Enter the amount of cash and in-kind contributions to be made from all other sources.

Column (e) - Enter totals of Columns (b), (c), and (d).

Line 12 - Enter the total for each of Columns (b)-(e). The amount in Column (e) should be equal to the amount on Line 5, Column (f), Section A.

Section D. Forecasted Cash Needs

Line 13 - Enter the amount of cash needed by quarter from the grantor agency during the first year.

Line 14 - Enter the amount of cash from all other sources needed by quarter during the first year.

Line 15 - Enter the totals of amounts on Lines 13 and 14.

Section E. Budget Estimates of Federal Funds Needed for Balance of the Project

Lines 16-19 - Enter in Column (a) the same grant program titles shown in Column (a), Section A. A breakdown by function or activity is not necessary. For new applications and continuation grant applications, enter in the proper columns amounts of Federal funds which will be needed to complete the program or project over the succeeding funding periods (usually in years). This section need not be completed for revisions (amendments, changes, or supplements) to funds for the current year of existing grants.

If more than four lines are needed to list the program titles, submit additional schedules as necessary.

Line 20 - Enter the total for each of the Columns (b)-(e). When additional schedules are prepared for this Section, annotate accordingly and show the overall totals on this line.

Section F. Other Budget Information

Line 21 - Use this space to explain amounts for individual direct object class cost categories that may appear to be out of the ordinary or to explain the details as required by the Federal grantor agency.

Line 22 - Enter the type of indirect rate (provisional, predetermined, final or fixed) that will be in effect during the funding period, the estimated amount of the base to which the rate is applied, and the total indirect expense.

Line 23 - Provide any other explanations or comments deemed necessary.

KEITH M. INGRAM

MINORITY LEADER

SENATOR

24TH DISTRICT

PHONE: 870-735-8610

kmingram@aol.com

POST OFFICE BOX 369

WEST MEMPHIS, ARKANSAS 72303-0369



MEMBER:
JOINT AUDIT
JOINT BUDGET
EFFICIENCY
INSURANCE & COMMERCE
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REVENUE & TAXATION

THE SENATE
STATE OF ARKANSAS

May 19, 2021

Mr. Todd Pedersen
General Manager, West Memphis Utilities
604 E. Cooper
West Memphis, AR. 72301

Dear Mr. Pedersen;

As the senator for District 24, which covers the rural Delta region of Central East Arkansas, I know firsthand the importance of reliable and affordable broadband access. Many of the communities I represent are without such access. As a resident of West Memphis, I also know that the broadband service in West Memphis is subpar, that the speed tests recorded by the Arkansas Broadband Office show that over 60% of the participants are not receiving the "25/3" service that is considered the minimum level of service.

The minimum "25/3" service level is one that many experts believe is outdated. The FCC has raised the minimum service level three times in the past (first defined in 1996, raised in 2010, then again in 2015). Years ago, if a household needed broadband access, it was for the family's one desktop. Today the average household has 5 devices that need broadband access. If the current broadband provider for West Memphis is not able to provide the community with even this low level of service, how will they be able to provide better service when the minimum service level is raised in the future?

As the general manager of the West Memphis Utilities, I know you are grappling with several large financial issues including a \$30 million wastewater treatment plant upgrade, millions of dollars of studies and annual rehabilitation work to satisfy an ADEQ consent order, lower electrical sales and a historically high fuel adjustment charge caused by the February cold weather. Therefore, I urge you to apply for Rural Broadband I.D. Trust Funds Grant so you can conduct a feasibility study to identify the best way to provide the community with a broadband alternate it needs. The West Memphis Utilities, as the community's electrical provider, has the expertise and equipment to install, maintain and operate a broadband system that will provide the community with the service it needs now and in the future.

This is an important project. Please keep me updated on its progress.

Sincerely,

A handwritten signature in blue ink that reads "Keith M. Ingram".

Senator Keith Ingram
Minority Leader



WEST MEMPHIS SCHOOL DISTRICT

JON COLLINS SUPERINTENDENT

ADMINISTRATIVE OFFICE

POST OFFICE BOX 826 • WEST MEMPHIS, AR 72303 • (870) 735-1915

May 20, 2021

Mr. Todd Pedersen
General Manager, West Memphis Utilities
604 E. Cooper
West Memphis, AR. 72301

Dear Mr. Pedersen;

I am writing to express my support for your application to the Rural Broadband I.D. Trust Funds grant. As Superintendent of the West Memphis School District, I know firsthand the need for reliable and affordable broadband service for not only the schools, but for the students at their homes.

Although the COVID pandemic has presented many challenges to the school system, particularly with so many students studying from home, even under normal times, our system could benefit from a more robust and affordable broadband service. All of our schools have broadband service but several of them suffer from unreliable and inadequate service. It is my hope that you will eventually provide broadband because your electric service is reliable and affordable, and I would expect nothing less from any broadband service you offered.

However, beyond the needs of the school district are the needs of our students. We are in an economically challenged community and many of our student's parents cannot afford broadband service. Even the families that can afford service are not getting what they need. I remember late last year the West Memphis Chamber of Commerce worked with the West Memphis Utilities in a public campaign to encourage broadband customers to take a speed test on the State's website. Over 60% of the homes did not pass the test. Even with the minimum level of service, access is a challenge when there is more than one student in the home and the home has many devices trying to access the internet. I hear many stories from the teachers about students struggling to do schoolwork at home because they can't get internet. Although our public library has desktops with internet access, students who go there must wait in line for their turn. For our community, our families and our students to be successful, we need the reliable and affordable broadband service that the West Memphis Utilities can provide. Please let me know if I can help in any other way.

Sincerely,

Jon Collins
Superintendent



CITY OF WEST MEMPHIS

OFFICE OF MAYOR MARCO MCCLENDON

Marco McClendon
Mayor

May 19, 2021

Mr. Todd Pedersen
General Manager, West Memphis Utilities
604 E. Cooper
West Memphis, AR. 72301

Dear Mr. Pedersen;

As mayor for the City of West Memphis I am committed to improving the lives of its residents. One area that I am particularly concerned about is the poor broadband service most of the community suffers from. Last October my office supported a public campaign that encouraged residents to take the speed test that is on the Arkansas Broadband Office's website. I am told that over 60% of the respondents failed the test.

The COVID pandemic has dramatically demonstrated the need for reliable, fast broadband service. So many of our residents have struggled to keep up with school, to work from home, to shop, to stay in touch with loved one using an inadequate broadband service from their homes. Although the COVID situation is improving, we are now faced with the challenges that having the I-40 bridge closed present. Again, residents are trying to work from home, shop and stay in touch with family members on the east side of the Mississippi River over a broadband system that is letting them down. Hopefully that situation will resolve itself soon but what is next? As we become more reliant on broadband with more household adding more devices to their service, we must have an affordable and robust broadband system that can provide the service we need, especial during unforeseen events that seem to be coming our new way of life.

I know you are faced with many financial issues. We recently, and reluctantly, approved a hike in the Utility's water rate. We are proud of the fact that the Utility offers one of the lowest electrical rates in the state. This is important for our residents who live in the economically distress portion of the Delta; we don't want to do anything that might endanger our electric rate. To that end, I encourage you to apply for Rural Broadband I.D. Trust Funds grant to fund a feasibility study to identify the best way to provide the community with a broadband alternate that it desperately needs. With the Utility's decades of experience in providing electrical service and with so much of the infrastructure already in place, adding broadband service to your line of services would be an excellent fit.

Sincerely,


Marco McClendon
Mayor, West Memphis Arkansas



May 19, 2021

Mr. Todd Pedersen
General Manager, West Memphis Utilities
604 E. Cooper
West Memphis, AR. 72301

Dear Mr. Pedersen;

I am writing to express my support for your application to Rural Broadband I.D. Trust Funds grant to fund a feasibility study to provide broadband service to West Memphis. I am confident that such a study would conclude that the Utilities providing broadband support would be very feasible.

Broadband service is often an issue with industrial prospects considering our community for a new site. In fact, as you may remember during a recent virtual presentation that you were a part of, the prospect needed broadband, and the site was not served. The desirability of the site would have been greatly enhanced if the West Memphis Utilities could have committed to the extension and rates. One of the strong points made during the presentation was how reliable West Memphis provided electricity was, that the Utility had just won a reliability award from the American Power Association. Since the expertise needed to construct and service a broadband network would easily fall within your crews' skill set, it would be an easy sell to the prospective industry that West Memphis Utility provide broadband service would be reliable. Also, it would be affordable. The Utility offers one of the lowest electrical rates in the state and it would be expected that its broadband rate would also be more than competitive. Since broadband rates, like the electrical rates, would be governed by city ordinance, users of utility broadband would have confidence in the fact they were getting the same rate as everyone else and that rates would not be adjusted on a case-by-case basis to whatever level "the market would bear".

Additionally, as the COVID pandemic has demonstrated, people can work from home. Many businesses will retain some form of this practice in the future and having a Utility operated system that was reliable and affordable would give employers and employees a high level of confidence that work from home would be a viable option in West Memphis. Again, this would strengthen my efforts to attract businesses here.

Sincerely,

A handwritten signature in black ink that reads "Phillip Sorrell".

Phillip Sorrell
Director, West Memphis Economic Development