

## Chatham County Broadband Update

Mar 18<sup>th</sup>, 2024 Chatham County BOC Work Session

## **Legal Information**



- Counties are unable to provide high-speed Internet broadband service directly to residents.
- Counties may provide grants to ISPs for the purpose of expanding service in unserved areas. (SL 2012-86)

## **Technologies to Know**

#### <u>Wired</u>

Fiber-Optic Cable (Fiber):

Converts electrical signals carrying data to light and sends the light through transparent glass fibers about the diameter of a human hair. <u>Max</u> <u>Speed 5000 Mbps (or even higher).</u>

#### Copper/DSL:

Runs over traditional copper phone lines, speed dependent technology and distance. <u>DSL speeds range from</u> <u>1.5 Mbps to 80 Mbps.</u>

#### <u>Cable:</u>

Cable modem service enables cable operators to provide broadband using the same coaxial cables that deliver pictures and sound to your TV. <u>Max</u> <u>speed is about 1000 Mbps.</u>

## Non-Wired

#### Satellite:

A form of wireless broadband connecting the customer's home or business with satellites orbiting the earth. <u>Max speed is about 100 Mbps.</u>

#### Fixed Wireless:

Fixed wireless broadband connects a home or business to the Internet using a radio link between equipment at the customer's location and the service provider's facility. <u>Max</u> <u>speed is about 1000 Mbps.</u>

#### 4G LTE Home:

LTE Home Internet is broadband internet service delivered via a 4G LTE wireless network. <u>Max Speed is about</u> <u>1000 Mbps.</u>

#### <u>Cellular</u>

Cellular networks are high-speed, high-capacity voice and data communication networks with enhanced multimedia and seamless roaming capabilities for supporting cellular devices.

They have become the primary means of communication for finance-sensitive business transactions, lifesaving emergencies, and life-/ mission-critical services such as E-911.

#### Chatham Cellular Providers:

- Verizon
- T-Mobile
- US Cellular
- AT&T

## **Unserved Locations**



## **Served Locations Fiber**



## **Served Locations Cable**



## **Current Funding**

## **GREAT** Grant

#### The Growing Rural Economies with Access

to Technology (GREAT) Grant is a competitive grant program that provides funding to private sector broadband providers to deploy last-mile broadband infrastructure to unserved areas of North Carolina.

## **RDOF** Grant

The **Rural Digital Opportunity Fund** will provide \$20.4 billion in funding over a tenyear period to support the construction of broadband networks in rural communities.

Eligible areas included those without current (or already funded) access to adequate broadband service, defined by the FCC as 25 Mbps downstream and 3 Mbps upstream (25/3).

- Locations: 2,472 homes, 68 business
- Total Project Cost: \$8.1M
- Total Grant Amount: \$5.9M
- Match Amount (State & County): \$2.2M



## **Future Funding Opportunities**

#### CAB Grant

The **Completing Access to Broadband** (CAB) Program provides an opportunity for individual N.C. counties to partner with NCDIT to fund broadband deployment projects in unserved areas of each county.

#### BEAD Grant

The **Broadband Equity, Access, and Deployment (BEAD) Program**, provides \$42.45 billion to expand high-speed internet access by funding planning, infrastructure deployment and adoption programs in all 50 states.

## Stop-Gap Grant

The **Broadband Stop Gap Solutions Program** provides funding for areas unserved or underserved with broadband following investment from the GREAT Grant Program and the CAB Program. This program may provide grants to internet service providers, local government entities and nonprofits for the provision and installation of broadband infrastructure to unserved and underserved households.

## Completing Access to Broadband (CAB) Funding Discussion

## **ARPA Funding For Broadband**

- 1. The board originally appropriated \$1,000,000 in ARPA funding for broadband.
- 2. The awarded bids (AT&T and Brightspeed) resulted in approximately \$500,000 being used.
- 3. The remaining approximately \$500,000 was planned to be used for the CAB grant, at a 35% project match.
- 4. At \$500,000 allocated to CAB that would amount to total project of \$1,428,571.43.
- 5. However, a project with a larger budget would be more attractive to potential bidders.

## **Increasing ARPA Funding for CAB**

- Under the Obligation Interim Final Rule from US Treasury, salary and benefit costs for ARPA funded positions are ineligible expenses after the obligation deadline of Dec. 31, 2024, instead of the expenditure deadline of Dec. 31, 2026.
- Because of this, there will be a shortfall of approximately \$2 million dollars in ARPA spending of our total award of \$14.4M.
- As such, there is additional restricted ARPA funding available for additional uses, of which broadband infrastructure is one.

## **Funding Estimates**

County contribution (min 35%)	Max total project cost	Max BIO (35%)	ISP contribution (30%)
500,000.00	1,428,571.43	500,000.00	428,571.43
County contribution (min 35%)	Max total project cost	Max BIO (35%)	ISP contribution (30%)
1,500,000.00	4,285,714.29	1,500,000.00	1,285,714.29
County contribution (min 35%)	Max total project cost	Max BIO (35%)	ISP contribution (30%)
2,500,000.00	7,142,857.14	2,500,000.00	2,142,857.14

\*BIO = North Carolina Department of Information Technology (NCDIT) Broadband Infrastructure Office

Estimates of GREAT Grant Homes Served (15% Match):

- Brightspeed: 1862 Homes, 52 Businesses (Total: 1914) at a total project cost of \$5,861,793.00
- AT&T: 542 Homes, 16 Businesses (Total: 558) at a total project cost of \$2,256,376.00

## **CAB Eligible Locations** (red dots)



# Discuss