

**March 16, 2022**

The Mahaska County Board of Supervisors met in special session on the above date at 9:00 a.m. in the third-floor conference room of the Mahaska County courthouse. Present were the following board members: Chairman – Mark Groenendyk; Vice chairman – Steve Wanders; and Member – Chuck Webb. Also present were Joe Lancello, KBOE; Darin Hite, IT; Tom Flaherty, Econ Dir; Andrew Ritland, Attorney; and Susan Brown, Auditor. Curtis Dean, of SmartSource Consulting; and Todd Kielkopf of Kielkopf Advisory Services attended by telephone. Meeting was opened with a moment of silence.

It was moved by Wanders seconded by Webb to approve the agenda for today's meeting. All present voted aye. Motion carried.

Public Comments: None

SmartSource Consulting presented report concerning five proposals from four companies in response to the request for proposals issued on February 11, 2022. Response deadline was March 4 at 5:00 p.m. The RFP was intended to solicit responses from regional broadband providers for constructing fiber-to-the-premise projects that, with County funding, would provide high-quality internet services with at least 1 Gbps down and 1 Gbps up to the most county premises at the most affordable per-premise cost to the County. The county has allocated up to \$2,000,000 of its funding from the American Rescue Plan Act to provide funds toward such projects. Proposals were received from Mahaska Communications Group (MCG); Mediacom; Sully Telephone and Windstream. MCG submitted the most comprehensive proposal bringing fiber to the largest number of homes and businesses along with the lowest county share per premise in Phase I of their proposal and would seek the full \$2,000,000 from the county. They propose service to 973 premises by 09/03/26. The other three proposals were for small service areas within the county.

MCG also proposed a Phase II in which they would build out the remaining unserved and underserved areas of county using its own resources. Phase II represented an additional investment of \$8.3 million to serve an additional 1,971 residences and 171 businesses. To be completed by 12/31/2028.

It was moved by Webb seconded by Wanders to accept Phase I response proposal from Mahaska Communications Group; fill that name into Resolution #2022-11 Award for Fiber Optic Broadband Network Expansion; and include in agreement Phase II as presented. All present voted aye. Motion carried.

### **Resolution #2022-11**

#### **RESOLUTION OF AWARD FOR FIBER OPTIC BROADBAND NETWORK EXPANSION**

WHEREAS Iowa Governor Kim Reynolds made available federal American Rescue Plan Coronavirus State and Local Fiscal Recovery Funds for broadband expansion in Iowa; and

WHEREAS to distribute these funds, the Office of the Chief Information Officer issued Notice of Funding Availability (NOFA) #007 for the Empower Rural Iowa Broadband Grant Program, and

WHEREAS on October 25, 2021, the Office issued Notice of Funding Availability #007 which begins the Application Acceptance Window for this NOFA until November 22, 2021 at 5:00 CST; and

WHEREAS eligible areas for NOFA #007 funding are identified on the State of Iowa Broadband Map Version 4 (Map V4); and

WHEREAS Mahaska County has received notice of Federal funding allocated under the Coronavirus Local Fiscal Recovery Fund established under the American Rescue Plan Act (ARPA) signed into law on March 11, 2021; and

WHEREAS Sections 602(c)(1) and 603(c)(1) provide that funds may be used to make necessary investments in water, sewer, or broadband infrastructure; and

WHEREAS the Interim Final Rule published by the Department of the Treasury in 31 CFR Part 35 states that within eligible use categories, local governments have flexibility to determine how best to use its allocated funds to meet the needs of its communities and populations for any allowed use, including broadband infrastructure; and

WHEREAS the Department of the Treasury has published additional guidance as responses to Frequently Asked Questions (FAQ), most recently on July 19, 2021; and

WHEREAS the July 19, 2021 FAQ publication Section 6 prescribes additional guidance on how the County can flexibly determine the types of broadband projects, investments, transfers to private entities, and forgivable loans it chooses to make necessary investments in broadband infrastructure that provides reliable and consistent performance, including local hiring provisions that support economic recovery; and

WHEREAS on February 11, 2022, the Mahaska County Board of Supervisors (“Board”) adopted a Resolution of Support for Fiber Optic Broadband Network Expansion that allocated \$2 million of its ARPA funding for an incentive program and, in compliance with Iowa Code sections 26.3 and 26.7, issued a Request for Proposals to solicit projects to incentivize a provider committed to being able to provide all Mahaska County residents and businesses broadband services that meet the following criteria:

- Demonstrated Financial Capacity – Clearly identified public and private sources clearly identified prior to program application submittal.
- High-capacity networks - Any consumer (residential, commercial, anchor institutions) within the County and identified as underserved by the current Empower Iowa Broadband Grant Application (NOFA #007), and by the County, to have access to both internet upload and download speeds of at least 1 gigabit per second (1 Gbps) utilizing a fiber-to-the-premise network no later than December 31, 2026. Additional customers, outside those identified in NOFA #007, will be offered service by December 31, 2028.

- Reliability and Customer Service - The solution should provide consumers with an improved customer experience in all aspects, including response times and minimal service issues, which shall be validated by independent pre-construction and post-construction area customer satisfaction survey and speed test results submitted to the County by December 31, 2026. The provider shall maintained a local physical presence within the County, staffed by at least one local employee, shall be required of the applicant from the time of County award through December 31, 2029.
- Competitive pricing – Retail rates for services offered are to be priced competitively with other provider options in the County, documented by the applicant. And participate in federal and state programs that promote affordable access for lower-income families, particularly households with educational needs. The provider shall also provide retail rate discounts to existing public entities and nonprofits within the County.
- Local references of support – The provider provided demonstrated support by local governments in communities in which the provider currently provides services.
- Contractual Performance Measures – Once funds are appropriated by the County, the applicant and County shall contractually form fair and reasonable bonding, escrow, and other legal mechanisms that ensure project funds by both parties remain unencumbered for constructing infrastructure projects in the manner above.

WHEREAS on March 16, 2022, the Board of Supervisors has reviewed the bids in response to the Request for Proposals and has used the scoring matrix in the Request for Proposals to determine the lowest responsive, responsible bidder pursuant to Iowa Code sections 26.10 and 26.11.

THEREFORE BE IT RESOLVED, after consideration by the Mahaska County Board of Supervisors, has determined that Mahaska Communications Group (MCG) is the lowest responsive, responsible bidder. Pursuant to Iowa Code sections 26.9 and 26.12, no contract for public improvement will be awarded until after public hearing.

SmartSource will reach out to MCG and start contract language and a public hearing will need to be set.

Public Comments: None

It was moved by Wanders seconded by Webb to adjourn. All present voted aye. Motion carried.

Attest: \_\_\_\_\_  
 Susan L. Brown  
 Mahaska Co. Auditor

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 Mark Groenendyk  
 Mahaska Co. Board of Supervisors