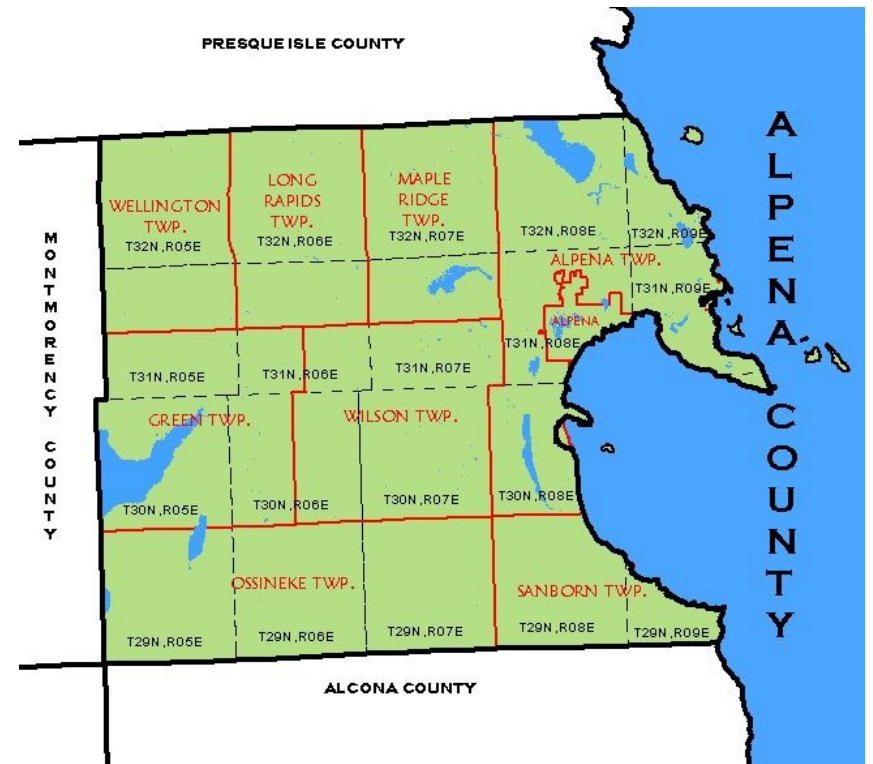




## Regional Broadband Development Through Cooperative Expansion

## American Rescue Plan Act (ARPA) Funding & Community Investment

### Alpena County and Townships



# Rural Broadband and the Digital Divide

- The Dilemma: How to Solve the Digital Divide
- American Rescue Plan Act (ARPA) Funding and other Opportunities
- What To Do
- What Not To Do
- Allband's Role and Plan
- What is Allband Communications Cooperative?
- Why Invest with our Cooperative?
- How Allband Invests
- Update on Allband's USDA ReConnect Award and How to Help

# The Dilemma: How to Solve the Digital Divide

- What is the Digital Divide?
  - The term "digital divide" refers to the gap between individuals, households, businesses and geographic areas at different socio-economic levels with regard to both their opportunities to access information and communication technologies (ICTs) and to their use of the Internet for a wide variety of activities.
- Allband has worked to bridge the divide for over 20 years, Allband's GM wrote his thesis on the topic at Michigan State University!
- The COVID Pandemic has brought the digital divide and inequality (affordability) to the forefront of every political stage.
- Politicians agree on one thing right now...rural broadband.
- We are witnessing the gold rush of rural broadband and we must act!

# American Rescue Plan Act (ARPA) Funding and other Opportunities

- ARPA Funding – can be used for Broadband (from treasury)
  - <https://home.treasury.gov/system/files/136/SLFRPFAQ.pdf>
- The Interim Final Rule requires eligible projects to reliably deliver minimum speeds of 100 Mbps download and 100 Mbps upload. In cases where it is impracticable due to geography, topography, or financial cost to meet those standards, projects must reliably deliver at least 100 Mbps download speed, at least 20 Mbps upload speed, and be scalable to a minimum of 100 Mbps download speed and 100 Mbps upload speed. (Fiber v. Wireless)
- Projects must also be designed to serve unserved or underserved households and businesses, defined as those that are not currently served by a wireline connection that reliably delivers at least 25 Mbps download speed and 3 Mbps of upload speed.

# Alpena County ARPA Funding Estimates

Township/County      Estimated Rescue Funds (millions)

Township/County	Estimated Rescue Funds (millions)	County Match		
		100% Match	50% Match	25% Match
<b>Alpena County</b>	\$ 5,517,338.00			
Wellington	\$ 31,087.00	\$ 31,087.00	\$ 15,543.50	\$ 7,771.75
Long Rapids	\$ 102,575.00	\$ 102,575.00	\$ 51,287.50	\$ 25,643.75
Maple Ridge	\$ 172,180.00	\$ 172,180.00	\$ 86,090.00	\$ 43,045.00
Alpena	\$ 915,536.00	\$ 915,536.00	\$ 457,768.00	\$ 228,884.00
Alpena City	\$ 1,042,080.00	\$ 1,042,080.00	\$ 521,040.00	\$ 260,520.00
Green	\$ 124,451.00	\$ 124,451.00	\$ 62,225.50	\$ 31,112.75
Wilson	\$ 205,255.00	\$ 205,255.00	\$ 102,627.50	\$ 51,313.75
Ossineke	\$ 167,365.00	\$ 167,365.00	\$ 83,682.50	\$ 41,841.25
Sanborn	\$ 211,954.00	\$ 211,954.00	\$ 105,977.00	\$ 52,988.50
<b>Total Township Funds</b>	<b>\$ 1,930,403.00</b>	<b>County Match \$ 1,930,403.00</b>	<b>\$ 965,201.50</b>	<b>\$ 482,600.75</b>
<b>Total Township and County</b>	<b>\$ 7,447,741.00</b>	<b>Total with Match \$ 3,860,806.00</b>	<b>\$ 2,895,604.50</b>	<b>\$ 2,413,003.75</b>
<b>County Remaining After Match</b>		<b>\$ 3,586,935.00</b>	<b>\$ 4,552,136.50</b>	<b>\$ 5,034,737.25</b>

## What To Do – Invest in a Solution

- Invest in broadband infrastructure that will reach the doorstep of your constituents. Use the best technology for the future.
- Build the middle mile (freeway) with fiber optics and use reliable high-bandwidth wireless technology for last mile (side roads) to help with Return on Investment (ROI) and to reach as many people as we can with limited funding.
- Must meet latency and speed requirements.
- The long-term plan will be to replace the wireless technology with fiber to the home.
- Middle mile fiber will also provide fiber to the home access to users along the path.

# What To Do – Invest in a Solution Continued

- Pool your funding together to make the largest impact.
- Townships – ask your county to match your investment or go all in.
- Counties – ask the State to match the investment.
- Band together to get more money from the State and the Feds. The unification of local governments and its constituents are a powerful tool and can impact votes. Engage your reps...you voted for them!
- Other funding opportunities
  - USDA Rural Utility Service
  - National Telecommunications and Information Administration (NTIA)
  - State of Michigan (High Speed Internet Office, CMIC Grants)
  - Self fund, borrow or create a community investment plan.
  - Foundations

# What Not To Do – Talk about a Solution

- Stop talking about solutions and ideas.
- Stop wasting time on surveys.
- Stop wasting money on more mapping.
- Stop trying to inventory vertical and horizontal assets.
- Stop giving your time and money to consultants who promise everything and deliver nothing.
- DO NOT invest with providers who install obsolete technology that over promise and under deliver.
- Stop wasting your precious time and partner with a proven company.
- I have listened to complaints for over 20 years...let's fix this problem.



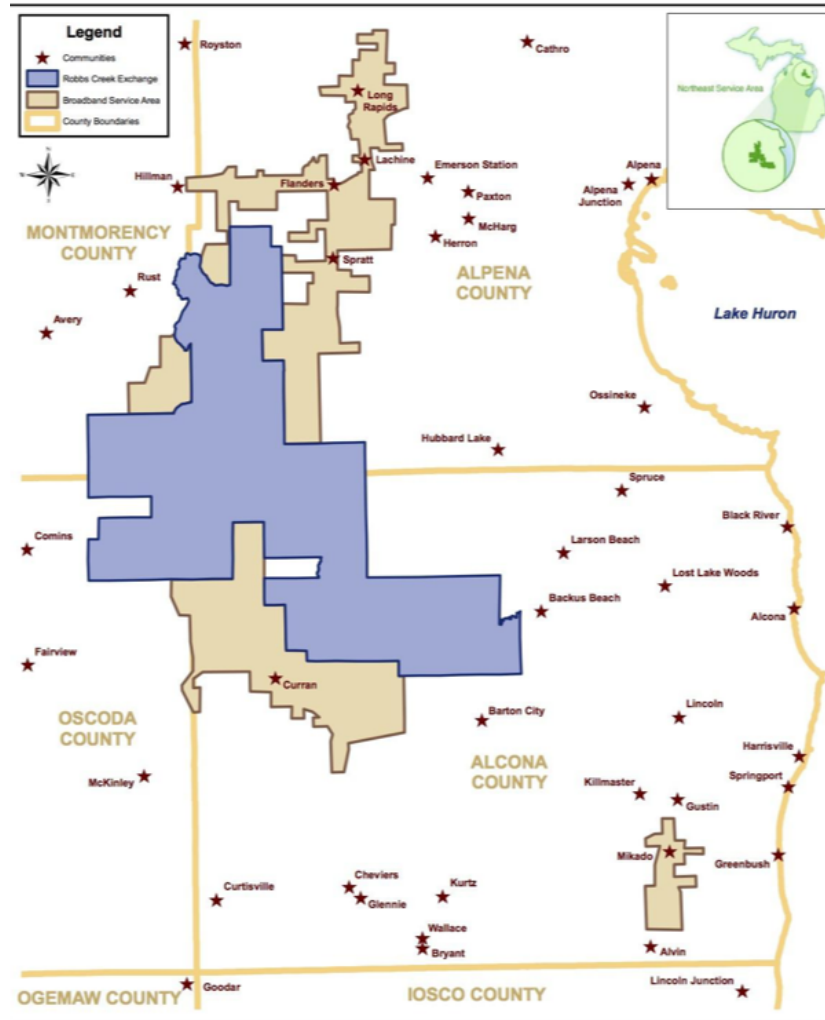
# Allband's Role and Plan

- Expand our Cooperative - opening our coop to all citizens and entities.
- Leverage our unique fiber footprint to expand.
- Pledge your funding to Allband as soon as possible.
- Partner with Allband on new funding opportunities.
- The funding would be used for the following:
  - Survey, design and engineering
  - Proposal of a solution to reach the greatest number of constituents.
  - A design proportionate to each townships funding level
  - County funds could be used for middle mile or divided between the townships based on population such as the ARPA money.
  - Plan/design through the winter and build during spring, summer, fall.
- All funding will be placed in a pledged account with full transparency.
- Funding will only be used for design, material, equipment and installation.

# What is Allband Communications Cooperative

- Allband consists of three unique entities:
  - Allband Communications Cooperative (501c12)
  - Allband Multimedia LLC (Non-Regulated Services)
  - Allband Center for Education, Wildlife and Research (501c3)
- Serves approximately 1,500 previously unserved locations
  - Most are served with Fiber to the Home (FTTH) and some fixed wireless
  - An accomplishment with a household density of 3-5 subs per mile!
- Has successfully invested over \$18 million in our community
  - USDA RUS Loan 2004 (Supported by Universal Service – USF)
    - \$8 million
  - ARRA Grant 2011 (100% Grant Funded – No match was required)
    - \$10 million

# Current Allband Service Territory



# What is Allband Continued...

- Originally created to serve rural constituents who had no landline 911 telephone access to emergency services (green field)
- Our mission is community driven with a focus on the unserved/underserved. We focus on expansion, not overbuilding.
- Allband specializes in rural broadband solutions and installs the best technology in the hardest to reach places therefore investing in the future of our rural communities
- We are an oasis in a broadband desert and positioned for growth
- Our network was a greenfield territory, meaning no service providers existed and many areas are still the same...it is time for change.

# What is Allband Continued...

- The only all-fiber telephone/broadband cooperative in Michigan. We are NOT like other providers.
- We use the most reliable high-bandwidth technology
  - Last-mile Fiber to the Home (FTTH)
  - High-bandwidth and reliable fixed wireless technologies
  - Fiber is the best investment for the future of all communities
- Over 400 miles of last-mile fiber in a 300 square mile region
- Access to multiple high-capacity state-wide backhaul providers
  - Merit Network (Previous ARRA grant recipient)
  - Everstream
  - Peninsula Fiber Network (PFN)
  - All co-located with Allband in Hillman, MI and Curran, MI
  - Access to Cogent in Chicago (Cermak) (one of the largest bandwidth providers in the USA)

# Why Support a Coop over a Private Entity?

- A financial model built around people, not profits and margins
- Nobody is left behind – everyone is entitled to reliable and real Internet
  - Our goal is to build everywhere, not just dense pockets of people to maximize a corporation's ROI.
- **Every \$1 invested in a Cooperative goes 3X farther than a private entity**
- Volunteer Board of Directors
  - Acts in the best interest of member owners and their lives, not shareholders
- Focus on Quality-of-Life Enhancement and Economic Development
  - Operates in economically distressed areas with high unemployment and higher than average social service dependency
  - Recent demand for reliable remote access due to COVID has highlighted the benefits of our mission. (Work, Learn, Stream, Game, etc.)
- Member-owned and locally operated
  - We train and employ locally

# How Allband Invests

- Allband is a not-for-profit cooperative, we continually invest in the Cooperative's network as the demand for our services does not taper off.
- How our funding and revenues are reinvested
  - Expansion to remaining underserved/unserved areas
  - New network equipment
  - Upgrade of depreciated equipment, vehicles and buildings
  - Recruitment and training of its workforce to provide local jobs and opportunity
  - Research and solutions to tear down rural barriers and societal limitations with advanced broadband access
- Fiber to the home infrastructure is preferred, wireless is used as a stop-gap as required until it can be over-built with fiber.

# Update on Allband's USDA Reconnect Award

- Allband is the recent recipient of a USDA Rural Utility Service (RUS) ReConnect grant to provide high-speed Internet to an unserved region of NE Michigan. **We are unaware of any other entities investing millions of grant funding in our region with REAL Broadband!**
- Project Details:
  - Total Project Cost: \$4,761,329
  - Grant Portion: \$3,570,997
  - Matching Portion: \$1,190,332
  - Total Households Served: 1,500-1,600
- Serving unserved portions of Alcona and Alpena Counties.
  - Please see the map on Slide #10
- Will use both fiber to the home (FTTH) and fixed wireless technologies



# Proposed USDA Reconnect Service Area Expansion

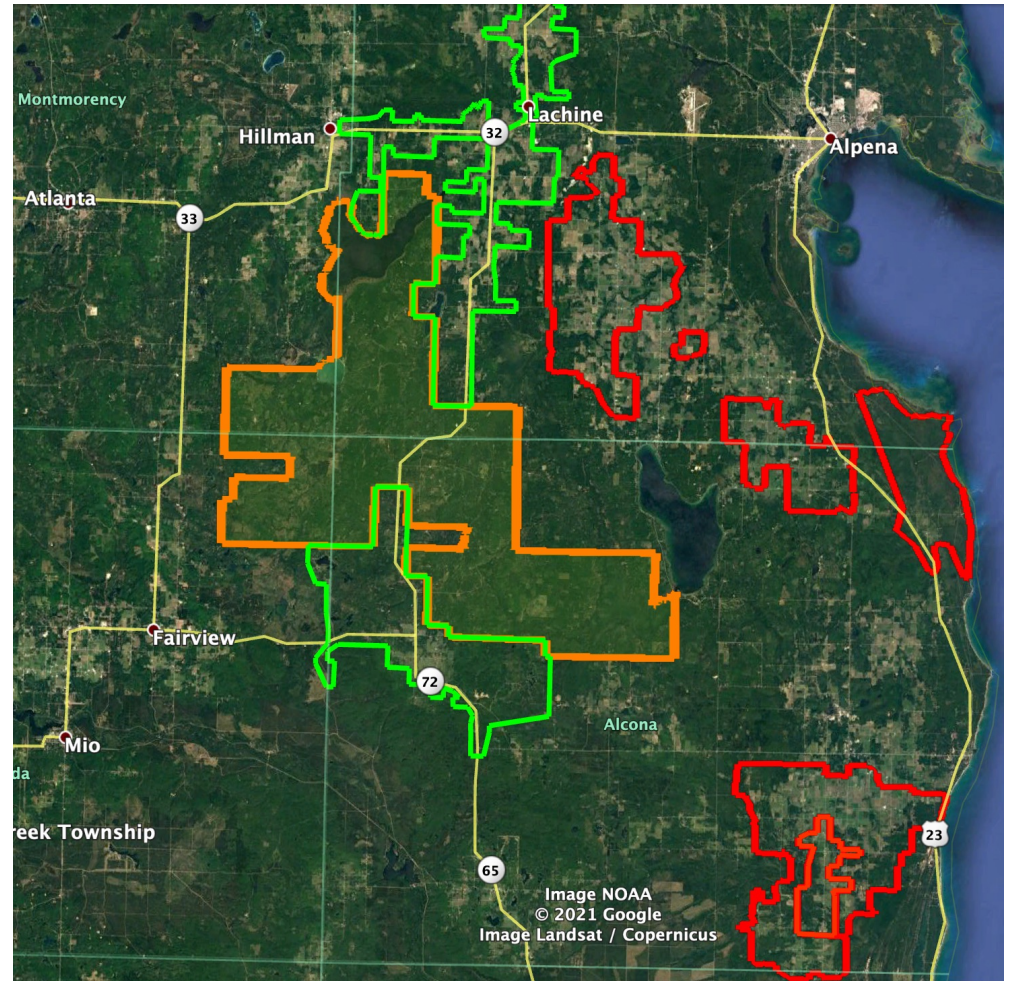
*Allband Multimedia LLC will use a \$3.5 million ReConnect grant to deploy a fixed wireless network to connect 3,678 people, 64 farms, 54 businesses, four educational facilities and a post office to high-speed broadband internet in Alpena and Alcona counties. <https://www.usda.gov/media/press-releases/2020/10/21/trump-administration-invests-101-million-high-speed-broadband-rural>*

## **COLOR KEY**

COOPERATIVE EXCHANGE (ORANGE)

ALLBAND MULTIMEDIA (GREEN)

2021 USDA RECONNECT GRANT (RED)



# Awarded but not closed. How you can help!

- Allband is seeking alternative funding for its grant match.
- Due to USDA liens on our grant assets, Allband has a very hard time obtaining investment capital outside of the Cooperative from traditional lenders.
- Our current USDA grant is a good example of why local governments should partner with a Cooperative. A unique solution warrants unique funding.
- ARPA money is not allowed due to statutory requirements.
- A good reason we are now seeking to expand the Coop as we need more local investors.
- Please support our efforts by contacting the USDA RUS, Senator Stabenow, Senator Peters, Congressman Bergman, State Rep. Sue Allor, State Senator Stamas and the Governor's office and request that they do everything they can to support our grant efforts!

# Contact Information – THANK YOU!

**Ron Siegel**

General Manager

Allband Communications Cooperative

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