## Frequently Asked Questions (FAQs)

## Local Agency Technical Assistance Grant Program

The following Frequently Asked Questions (FAQs) document is intended to provide guidance on the Local Agency Technical Assistance Grant Program rules and requirements set forth in the California Public Utilities Commission Decision (D.) 22-02-026 issued February 25, 2022.

Further questions may be submitted to <u>Broadband.TechAssist@cpuc.ca.gov</u> for consideration to include in future FAQ documents.

The Local Agency Technical Assistance Grant Program is designed for local government agencies authorized by law to provide internet broadband access.

#### 1. Overview

#### 1.1 What is the Local Agency Technical Assistance grant program?

The Local Agency Technical Assistance grant program funds local agencies and tribes developing broadband projects in areas with unserved and underserved Californians. The Commission made \$50 million in funds available for this purpose in Decision (D.) 22-02-026.

Grants are for pre-construction planning and studies, such as needs assessments, environmental studies, and network designs. Technical assistance may include forming a Joint Powers Authority with another entity or supporting a local agency preparing to provide internet service in the same jurisdiction. Eligible areas contain unserved and underserved households or businesses. Grant recipients will be provided with an authorization to proceed and may request reimbursements after completing technical assistance work products.

The Local Agency Technical Assistance grant program is only for <u>pre-construction</u> planning and technical assistance costs. For assistance with construction costs, refer to the Last Mile Federal Funding Account (ca.gov)<sup>1</sup> and the California

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<sup>&</sup>lt;sup>1</sup> URL: https://www.cpuc.ca.gov/industries-and-topics/internet-and-phone/broadband-implementation-for-california/last-mile-federal-funding-

account#:~:text=The%20Federal%20Funding%20Account%2C%20established,of%20state%20and%20federal%20funds.

<u>Advanced Services Fund (CASF)</u>.<sup>2</sup> For assistance borrowing to deploy broadband infrastructure, refer to the <u>Loan Loss Reserve Fund (ca.gov)</u>.<sup>3</sup> For additional broadband technical assistance funding available to California Tribes, refer to the <u>Tribal Technical Assistance</u> program.<sup>4</sup>

### 2. Eligibility

## 2.1 Who is eligible to apply for a Local Agency Technical Assistance grant?

Eligible local agencies mean any agency of local government authorized by law to provide broadband internet access service, including the following:

- a city
- a county, including a county service area;
- a community service district;
- a public utility district;
- a municipal utility district;
- a joint powers authority;
- a local educational agency, as defined by Education Code section 47640;
- a sovereign tribal government; and
- an electrical cooperative as defined by Public Utilities Code section 2776.

## 2.2 What areas are eligible for the Local Agency Technical Assistance grant?

Technical assistance grants must support developing broadband service to unserved and underserved households or businesses, which means one or more households or businesses that are not currently served by a wireline connection that reliably delivers at least 25 Mbps download and 3 Mbps upload speed.

Applicants must provide a description of the unserved and underserved areas for which they are considering funding within their jurisdiction. Separate local agencies operating in the same geographic area may be considered for grants and need to demonstrate collaboration with any overlapping jurisdictions. Applicants are required to submit a letter of support demonstrating this coordination. For the purposes of this program, cities do not have overlapping jurisdictions with the county or counties in which the city is located, nor are tribal

<sup>&</sup>lt;sup>2</sup> URL: https://www.cpuc.ca.gov/industries-and-topics/internet-and-phone/california-advanced-services-fund

<sup>&</sup>lt;sup>3</sup> URL: https://www.cpuc.ca.gov/industries-and-topics/internet-and-phone/broadband-implementation-for-california/loan-loss-reserve-fund

<sup>&</sup>lt;sup>4</sup> URL: https://www.cpuc.ca.gov/industries-and-topics/internet-and-phone/california-advanced-services-fund/tribal-technical-assistance

governments considered to have overlapping jurisdictions with other eligible local agencies.

## 2.3 What type of projects are eligible for the Local Agency Technical Assistance Grant?

Technical assistance means reimbursement for pre-construction work products that support local agencies in their pursuit of the provision of internet service to unserved and underserved communities. Technical assistance projects may include, but are not limited to:

- Environmental, feasibility, engineering design studies or reports;
- Needs assessments, market studies, broadband strategic plans, business plans;
- Forming a joint powers authority (for the purposes of providing broadband services); and
- Consultant and community-based organization services.

#### 2.3.1 What is a reimbursable work product?

A reimbursable work product is the final report, study, or agreement resulting from any one of the eligible activities listed above for which the applicant is seeking reimbursement through this grant program. Multiple work products can be included in any one grant application, but must be specifically outlined in the application, including costs and timelines for each work product. The work product(s) must be submitted upon completion of the project deliverables to receive reimbursement for the work authorized through this grant program. For example, if the grantees LATA budget includes 3 separate work products, to receive payment for any of the completed work products, there must be a final work product (i.e., report) for each work product listed. The CPUC will not reimburse for partially completed work products.

#### 2.3.2 Are any other expenses eligible for reimbursement?

Administrative Costs. Up to 15 % of the award can be used to reimburse a local agency for administrative costs associated with securing or completing a reimbursable work product. Administrative costs are defined as "indirect overhead costs attributable to a project, per generally accepted accounting principles, and the direct cost of complying with Commission administrative and regulatory requirements related to the grant itself." When seeking reimbursement for administrative costs, please submit an accounting ledger (i.e. excel) that has work

items/lines that are categorized as "administrative expenses/costs". Please include receipts, paid invoice(s), packing slips, etc. that correlate to each of those line items to show proof of payment.

Incremental Staff Hours. Reimbursement is available for local agency or tribal staff hours that are incremental to staff's pre-grant work, meaning the specific task and hours to be reimbursed are expended on reimbursable activities that would not be performed by the staff person absent the grant award.

#### 2.3.3 What is a Letter of Support?

Applications must include a letter of support from the local agency applicant's relevant political subdivision (e.g., city, county, tribe). This letter must describe coordination performed with other eligible local agencies that are located in a jurisdiction(s) that overlaps with the applicant's geographic jurisdiction. The letter of support should include information about how the applicant is coordinating with and supported by overlapping jurisdictions, as it pertains to their technical assistance grant proposal work product(s) and objectives.

Tribal applicants are required to submit a letter of support from the tribal chair, administrator, or council, though these letters need not detail coordination efforts with other eligible local agencies.

#### 3. Grant Amounts

### 3.1 How much funding is available?

The Commission authorized \$50 million for Local Agency Technical Assistance grants in Decision (D.) 22-02-026. The LATA Program has awarded \$50M Local Agency Technical Assistance funds to 106 non-Tribal Local Agencies and Tribal Organizations. As a result, the CPUC is no longer accepting new LATA applications. Tribal organizations may wish to consider the <a href="Iribal Technical Assistance grant program">Iribal Technical Assistance grant program</a>.

### 3.2 How much funding is available per grant application?

Up to \$1 million may be available for each local agency per fiscal year. Applications meeting the Ministerial Review criteria may be approved by Staff and are capped at \$500,000. Application requests exceeding \$500,000 may be approved by the Commission via Resolution, up to a maximum of \$1 million per agency. Resolutions require a vote of the Commission and a 30-day period for public comment. Staff may also recommend any application to the Commission resolution process for a funding decision.

## 3.3 Are there grant funds set aside for Tribes from the full Local Agency Technical Assistance \$50 million?

\$5 million of the total Local Agency Technical Assistance funds are set aside for grants for California Tribes. If all of the set-aside for tribal applicants are encumbered for specific tribal grantees, CPUC staff may set aside up to ten percent of then-remaining funds for tribal grantees. The LATA Program has awarded the \$5M set aside funds. Tribal organizations may wish to consider the <a href="Iribal Technical Assistance grant program">Iribal Technical Assistance grant program</a>.

### 4. Applications

#### 4.1 When can an application be submitted?

The CPUC is no longer accepting LATA applications at this time. The LATA Program has awarded \$50M Local Agency Technical Assistance funds to 106 non-Tribal Local Agencies and Tribal Organizations.

#### 4.2 What information must an applicant provide?

Applicants must submit applications through the <u>Broadband Grant Portal</u> with required documentation, which includes a project proposal or proposed contract, letter of support, <u>California Taxpayer ID form</u>, and a <u>notarized affidavit form</u>. Please refer to the <u>Grantee Manual</u> on the CPUC's Local Agency Technical Assistance web page for more information on the required grant application materials.

## 4.2.1 What must be in the Project Proposal or Proposed Contract, and what is the difference between these?

Both the project proposal and proposed contract(s) must include the following details:

- 1. Proposed work to be completed, including a statement of work
- 2. Detailed cost estimate
- 3. Proposed timeline for completion (all projects must be completed within 24-months of grant approval)

A project proposal is required for technical assistance work to be developed inhouse, such as by the local agency's information technology or services staff with broadband expertise.

A proposed contract(s) is required for work that will be conducted by an outside

entity, including consultants and community-based organizations, who will be performing the technical assistance work for the local agency. If an applicant seeks to use in-house and external expertise for technical assistance, both a project proposal and proposed contract are required.

#### 5. Awards

#### 5.1 How are applications reviewed?

Applications will be reviewed by staff after being received. There are two types of reviews, Ministerial/Expedited Review and by Resolution:

- Ministerial/Expedited Review: If the applicant and grant request meet program eligibility, the grant request does not exceed \$500,000 per local agency per fiscal year, and there are no other pending local agency applications proposing to provide service that overlaps with the applicant's geographic jurisdiction(s), staff is authorized to approve via ministerial approval.
  - Grant applicants approved ministerially will be notified by email letter from the Communications Division Director.
- **Resolution Review Criteria**: Applications that do not meet Ministerial Review criteria may be referred to the Commission for review and approval via the Resolution process, which includes a 30-day comment period. Staff may also recommend applications with a funding request less than \$500,000 to the Commission resolution process for a funding decision.
  - Grant applicants approved via Resolution will be sent an award letter by CD staff via email informing the applicant of the Resolution's approval by the Commission. Staff will include with the award letter the required documents for acceptance, as explained in Section 5.2. Staff will send an email informing applicants of their status at the end of the resolution process.

### 5.2 How are awards accepted?

All grantees must sign and submit a Consent Form, which is sent with the award letter, within 30 calendar days from the date of the award agreeing to the terms stated in the resolution or award letter authorizing the award. Should the grantee fail to submit the Consent Form within 30 calendar days from the date of this letter's adoption, the CPUC will deem the grant null and void.

## 5.3 What if there are changes to the project after the grant is approved?

The grantee must communicate in writing to the Communications Division Director

via an amendment request in the <u>Broadband Grant Portal</u> any changes to the substantive terms and conditions underlying Commission approval of the grant (such as changes to a reimbursable work product contract, timeline, work plan, or budget) at least 30 days before the anticipated change is to become effective. Substantive changes may require approval by either the Communications Division Director or by Commission resolution before becoming effective. Please reference the <u>LATA User Guide</u> for how to submit an amendment request.

### 6. Amendments Requests

#### 6.1 What is an amendment request?

Amendment requests include any changes to the awarded grant's budget, project scope, timeline, or other substantive changes to the grant award.

#### 6.2 How to submit an amendment request?

Amendment requests for substantive changes (i.e., budget modification) must be submitted in the Broadband Grant Portal at least 30 days before the anticipated change is to become effective. There are four different types of requests:

- Request for Project Timeline Extension
- Request for Project Change of Scope
- Request for Project Change of Budget
- Request for Change in Contractor

Note: If submitting a modification to the grant award budget, please select "Project Change of Budget."

### 6.3 What to submit with an amendment request

For a Request for Project Change of Budget, please include a revised budget summary (tab 3 of the approved LATA application) and a written justification with an explanation of the changes. For a Request for Project Timeline Extension beyond two years from the start of the grant award, please include the new timeline and a written justification. For a Request for Project Change of Scope, please include the new project scope, including a project plan, and a written justification for the change. For a Request for Change in Contractor, please include the contract or proposed contract and a written justification for the change in contractor, and any budget changes if applicable.

### 6.4 Is a change in contractor included in an amendment request?

Yes, a change in contractor should also be submitted as an amendment request. Please select the "Request for Project Change in Contractor". Please also include new contractor hires if a contractor had not been hired before.

### 7. Project Completion and Payment

## 7.1 What are the requirements and responsibilities after project completion?

Upon completion of the technical assistance and before final payment, the grantee must submit a payment request for reimbursement through the <a href="Monthstyle="block"><u>Broadband Grant Portal</u></a>. Please reference the <a href="LATA User Guide"><u>LATA User Guide</u></a> for how to submit a payment request.

Grantees must provide the completed reimbursable work product(s), such as final reports/studies/joint powers agreements, etc., along with a short summary of each reimbursable work product performed under the contract. The reimbursable work product(s) must identify broadband infrastructure deployment projects and the area(s) where the applicant intends to deploy broadband, all in a manner suitable for posting on the Commission's web page. The proposed projects must provide at least 100 Mbps symmetrical speeds to currently unserved and/or underserved locations in California.

In addition to the project completion and payment reporting required above, local agency grantees must also comply with the Commission's <u>Grantee</u> <u>Reporting Requirements</u>. These requirements can be found on the Local Agency Technical Assistance web page (discussed further in Section 7).

#### 7.2 How are payment requests made?

The grantee must submit a payment request for reimbursement through the <u>Broadband Grant Portal</u>. Please reference the <u>LATA User Guide</u> for how to submit a payment request.

Payment will be based upon receipt and approval of an invoice(s) submitted by the local agency showing the expenditures incurred for the reimbursable work product(s), receipts that demonstrate payment for reimbursable work product(s) (i.e., receipts or copy of checks), along with the completed reimbursable work product(s). The invoice(s) must be supported by documentation including but not limited to the actual cost of labor and any other expense that will be recovered by the grant. Payment will be made directly to the local agency as the grant recipient.

## 7.3 Can grantees request partial payments?

Local agency grantees may request partial reimbursement if they complete one or more of the approved reimbursable work products prior to completion of other reimbursable work products approved in the same grant authorization. As stated above, reimbursement will be made for any final work product that is completed as stated in the grantees budget summary. Partial payment requests must be submitted through the <u>Broadband Grant Portal</u>.

## 7.4 What if the project cannot be completed within the 24-month timeline?

If the grantee cannot complete the project within the 24-month timeline, the grantee must notify the Director of Communications Division through an amendment request in the <u>Broadband Grant Portal</u> as soon as the grantee becomes aware that they may not meet the project deadline. In the event the grantee fails to notify the Director, the Commission may withhold or reduce payment.

Please note, all final payment request must be submitted into the <u>Broadband Grant Portal</u> by October 31, 2026. For LATA grantees not able to submit final payment requests by 10/31/2026, please contact CD staff with a written justification to broadband.techassist@cpuc.ca.gov by 1/1/2026.

### 8. Reporting and Record Keeping

# 8.1 Are there any reporting requirements for grantees during the project?

Yes, Public Utilities Code section 281(I)(1) requires monthly reporting for grantees using licensed contractors and/or subcontractors undertaking a contract or subcontract in excess of \$25,000. All monthly contractor reports must be submitted through the Broadband Grant Portal.

Also, each grantee must submit quarterly reports as set forth in the Commission's <u>Grantee Reporting Requirements</u> for broadband infrastructure projects. All quarterly reports must be submitted on the <u>Broadband Grant Portal</u>.

# 8.2 Are there any record keeping requirements for grantees after the final payment has been received?

Grantees must maintain records such as files, invoices, and other related documentation for five years after final payment. These records and invoices, including those from a contractor approved by a local agency, need to be available to the Commission upon request and are subject to an audit by the Commission any time within five years after the final payment made to a grantee.

**Additional Questions**: For help and questions about the Local Agency Technical Assistance grant, please send an email to <a href="mailto:Broadband.TechAssist@cpuc.ca.gov">Broadband.TechAssist@cpuc.ca.gov</a>.

## **Revision Log:**

Date	Category	FAQ#	Summary of changes
August 17, 2022	First Release	1-7.2	
October 19, 2022	Update/Revision	6.1, 7.1	Pg. 8-9, Updated Section 6.1, 7.1 to clarify grantee reporting requirements
July 30, 2024	Update/Revision	2.3.1, 2.3.2, 3.1, 3.3, 4.1, 4.2, 5.3, 6.1, 6.2, 6.3, 6.4, 7.1, 7.2, 7.4	Updated to incorporate the Broadband Grant Portal process and to clarify FAQs for payment requests and amendment requests.