

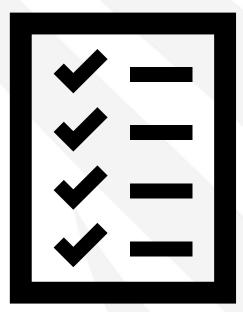
Construction Monitoring USDA RUS ReConnect Program



Rural Development

Agenda

- I. GFR Defined
- II. Overall Communication
- III. Initial Visitation
- **IV.** Construction Phase
- V. Annual Compliance
- VI. Operational Reviews
- **VII.** Project Completion

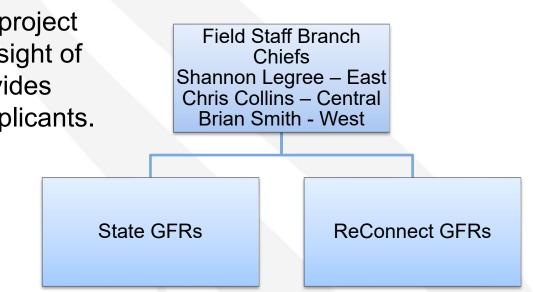


So exactly what is a GFR??

Construction Monitoring – General Field Representative (GFR)

What is a GFR? – National Office field personnel providing project support and monitoring through completion and overall oversight of awardee compliance with project's approved purposes. Provides outreach and assistance as needed for potential projects/applicants.





Telecom GFR Contacts | Rural Development (usda.gov)

ReConnect GFRs | Rural Development (usda.gov)

Overall Communication

Construction Monitoring – Overall Communication

GFR is the primary point of contact for an Awardee.

- Questions/Concerns
- Desired Changes
- Initial review of construction contract documents
- Reimbursement requests
- Challenges with Project Completion
- Requests to National Office
- Inquiries from National Office



Initial Visit

- Initial Discussion of Project Award
- Closing Documents
- Closing Conditions
- Environmental Clearance Review
- Discussion of Awardee Operations
- Assessment of meeting timelines
- Discussion of Affiliate Interactions
- RUS Process Overview
- Material Inventory or Purchase
- Current Financial Status
- Changes since application

Closing Documents

- Transmittal Letter
- Documents based on Award Type
 - Closing Instruction
 - Required Certifications
 - Pledged Deposit Account (DACA)
 - Certificate of Authority
- Award Agreement
 - Changes?
- Schedule 1
- Process for return

	[RUS DESIGNATION]
	ReCONNECT PROGRAM
	GRANT AND SECURITY AGREEMENT
	dated as of [date]
	between
	[AWARDEE'S NAME]
RUS Project Designation:	and
[RUS DESIGNATION]	THE UNITED STATES OF AMERICA
ReCONNECT PROGRAM	
	1
LOAN AND GRANT AGREEMENT	RUS Project Designation:
dated as of [date]	
	[RUS DESIGNATION]
between	
[AWARDEE'S NAME]	
and	ReCONNECT PROGRAM
THE UNITED STATES OF AMERICA	
THE UNITED STATES OF AMERICA	LOAN AGREEMENT
	dated as of [date]
	between
	[AWARDEE'S NAME]
	-
	and
	THE UNITED STATES OF AMERICA

RUS Project Designation:

Closing Conditions

- Awardees may have specific requirements prior to completing closing process
- Important to discuss understanding of any Closing Condition
- GFR will update National Office on any challenges identified
- Project Funding will not be available until all required Closing Conditions are met

Environmental Clearance Review

- Review application construction maps
- Review any maps included with ER clearance approval letter to ensure all construction routes covered by ER approval
- Review any mitigants in ER clearance approval letter
- Discuss ramifications of any proposed construction changes during project buildout and process to obtain environmental clearance of new proposed routes

Discussion of Awardee Operations

- Review current operations of awardee
- Inquire about parents and /or subsidiaries and review their roles relating to awardee
- Determine where the employees are located (awardee, parent, subsidiary)

Assessment of meeting timelines

- Have the Environmental clearance approval been given
- If the Environmentals have not been approved, does the awardee plan on proceeding with engineering staking and detail design
- Has the awardee researched current/projected material delivery times and determine how and if they will impact construction activities
- Does the awardee have concerns about meeting the construction schedule

Discussion of Affiliate Interactions

- Very important to understand planned interactions
- Start required approvals early
- GFR will discuss restrictions and allowances for Affiliate Transactions
- Understanding Affiliated Transactions early will assist with project planning

Material – Inventory or Purchase

- GFR will discuss allowances for material in inventory
- Ordering Material/Equipment not presently in inventory and Environmental Clearance
- Using material from Affiliate (Parent/Subsidiary)
- Buy-American & BABA Act (Which applies and Requirements)

Current Financial Status

- GFR will discuss with the awardee their current financial status and if any changes have occurred since the application was submitted.
- Review current financial statements

Changes since application

- Important to discuss changes in management, business structure, financial standing, etc.
- Joint Field Accountant and GFR visitation will be attempted
- GFR can assist with required documentation update(s)

Construction Phase

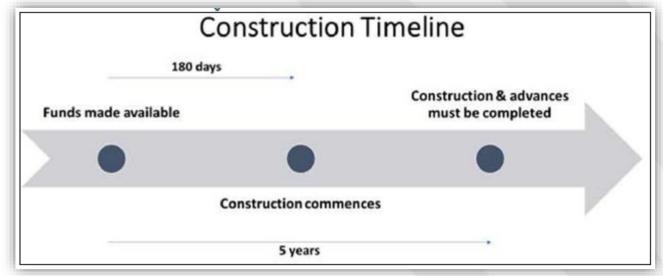
Meetings and Field Visits

- Approved Project
- Project Buildout Timeline
- Construction & Procurement
 - Construction Procedures
 - Contract Review
 - Budgets
 - Project Funds Advance & Disbursement
- Environmental Clearance
- Changes and Deviations

Approved Project USDA Rural Development Together, America U.S. DEPARTMENT OF AGRICULTURE **RUS** Project Designation: catio DEPARTMENT OF AGRICULTURE RUS DESIGNATION **Rural Utilities Service** ReCONNECT PROGRAM [Docket Number: RUS-21-Telecom-0010] GRANT AND SECURITY AGREEMENT Rural eConnectivity Program dated as of [date] **AGENCY:** Rural Utilities Service, USDA. between AWARDEE'S NAME **ACTION:** Funding opportunity ctivity Program Ru and announcement. Applicat or Fiscal Year 2022 THE UNITED STATES OF AMERICA 5 (Version 2) wardee DEPARTMENT OF AGRICULTURE **Rural Utilities Service** 7 CFR 1740 [RUS-20-Telecom-0023] RIN 0572-AC51 Rural Utilities Service **Rural eConnectivity Program** UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE **Telecommunications Program** AGENCY: Rural Utilities Service, USDA. ACTION: Final rule; request for January 25th, 2022 comments.

Project Buildout Timeline

- 5-Year Buildout upon Release of Funds
- Funds must be advanced during this period
- Monitoring of progress performed to assist Awardee as necessary



Construction Procedures

- Round 1 3 Awards: ReConnect Program Construction
 Procedures document (Feb 2020 ver. 2.0)
- Procedures outlines contract and reimbursement processes
- Procedures incorporated legal agreements



Rural Development

Together, America Prospers

ReConnect Program Construction Procedures Version 2.0 – February 2020

> Rural Utilities Service Telecommunications Program

The ReConnect Program Construction Procedures

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ReConnect Program Construction Procedures Version 2.0 – February 2020

Together, America Prospers

USDA Rural Development

Rural Utilities Service Telecommunications Program

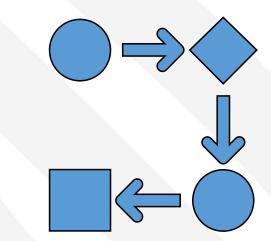
The ReConnect Pro	ogram Constructi	ion Procedures
Professional Services		
General		
Engineering Services		
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Other Professional Services		of Equipment
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Closeout Documents		Plans & Specifications
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Examples of secti Procedu		Contract Documents

The ReConnect Program Construction Procedures

	1	Documents Required to Closeout R	US Form 515	5			
Outside Plant Construction			Copies prep	ared by	D	istribution	
General	RUS Form	Description	Contractor	Engineer	Awardee	Contractor	RUS
Plans & Specifications	724	Final InventoryCertificate of Completion		2	1	1	
Plans & Specifications	724a	Final InventoryAssembly Units		2	1	1	
Procurement Methods	. None	Contractor's Bond Extension (send to RUS when required)	3				3
Contract Documents	281	Tabulation of Materials Furnished by Borrower	2		1	1	
Contract Documents	213	Certificate (Buy American)	1		1		
Closeout Documents		Listing of Construction Change Orders		1	1		
	224	Waiver and Release of Lien (from each supplier)	1		1		
	231	Certificate of Contractor	1		1		
 Kov recourse for construction 	527	Final Statement of Construction		2	1	1	
 Key resource for construction 		Reports on Results of Acceptance Tests		1	1	1	
inspection		Set of Final Staking Sheets		1	1		
•		Tabulation of Staking Sheets		1	1	19 22 -0	
 Unless noted, Awardees keep 		Correction Summary (legible copy)		1	1		
documents on file		Treated Forest Products Inspection Reports or Certificates of Compliance (prepared by inspection company or supplier).	·		1		
 Any submission to RUS through 		Final Key Map (when applicable)		1	1		
GFR	***	Final Central Office Area and Town Maps		1	1		
U 1 1 1							

Contracts

- Plans and Specifications Review (as required per Construction Procedures)
- Engineer's estimate / budgets
- Bidding / Competitive Procurement / Negotiation
- Contract Review Submission for Approval (as required)



Construction

- Approved Contract
- Construction Documents
 - As-Built Sheets (Staking Sheets)
 - Map Details
 - Other documents as needed
 - Visual Verification (Assets)
- Proposed Funded Service Area (PFSA)
- Funded Facilities (PFSA and Common Network)
- Contract Closeout Documentation
- GFR will make periodic inspections during construction activity and at contract closeout
- Requesting Funds (FRS / Work Order Review)



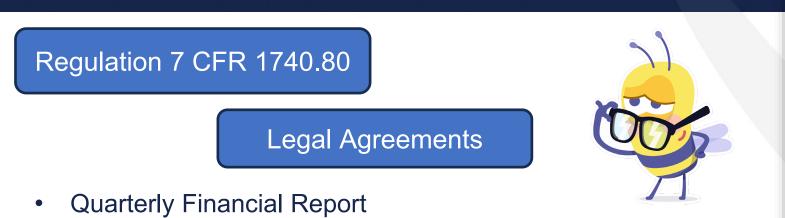
- Environmental Compliance
- Changes and deviations from approved project.



Annual Compliance

Reporting and Financial Compliance

Construction Monitoring – Annual Compliance



- System Data Report
- Annual Audit
- Construction Progress Report (Annual)
 - Includes Subscriber Locations during construction
- Annual Performance Progress Report
 - Includes Subscriber Locations after construction completion

Non-compliance may delay project funds......

Rural Development Reporting & Compliance User Guide



Operational Reviews

Construction Monitoring – Operational Reviews

- Civil Rights (Awards with Loan funds)
- Sale of Property (Awards with Loan funds)
- Transferring of Assets
- Change in management/authorized personnel
- Equal Employment Opportunity (EEO)
- Contracts for Operation or Management of Project
- Affiliated Transactions
- Legal Agreement Covenants

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program.intake@uada.gov. correo electrónico: This institution is an equal opportunity providar. program.intake@uada.gov.	alleged discriminatory action in sufficient datal is inform the Assistant Sectority for Civit Fights (ASCR) about the nature and date of an allegad civil rights violation. The comparised AD-3027 form or later marks be submitted to USDA by: USL Separatment of Agriculture USLS Operatment of Agriculture Tablo Independence Avenue, SW Washington, D.C. 20250-9410; or fac: (SI3) 325-1965 or (202) 690-7442; email:	naturatara y la fenha de la presunta vidiación de los devertos civiles. La carta el formulario AD-3027 completado debe enviarse al USDA por metio de: corres postel U.S. Department ol Apriculture Office ol the Assistante Secretury for Cell Rights 1400 Independence Avenus, SW Washington, D.C. 20250-3410, o

<u>Rural Development Civil Rights Office | Rural Development (usda.gov)</u>

Construction Monitoring – Operational Reviews

Legal Agreement – Scoring Criteria

- Section 5.19 and Schedule 1
- Article V
 Affirmative Covenants

 1.
 Section 5.7 Composite Economic Life of RUS financed facilities:

 2.
 Section 5.8(f) Awardee is subject to the following National Progrands

 3.
 Section 5.19 Scoring Criteria Commitments: Awardee has agreed commitments for this Award:

 (X) Affordable Pricing Packages
 (X) Net Neutrality

 (X) Wholesale Broadband Service
 The additional affirmative covenants referred to in Section 5.20 and the section section 5.20 and the section seconomic seconomic section section seconomic section sec

Section 5.19 Scoring Criteria Commitments

If identified on Schedule 1 hereto, the Awardee agrees to be bound by the following commitments:

- (a) Awardee will offer the affordable pricing packages outlined in its Application.
- (b) Awardee will utilize the labor standards outlined in its Application until Project Completion.
- (c) Awardee agrees to use net neutrality with respect to its network and will not (1) block lawful content, applications, services, or non-harmful devices, subject to reasonable network management; (2) impair or degrade lawful Internet traffic on the basis of Internet content, application, or service, or use of a non-harmful device, subject to reasonable network management; and (3) engage in paid prioritization, meaning the management of a broadband provider's network to directly or indirectly favor some traffic over other traffic, including through use of techniques such as traffic shaping, prioritization, resource reservation, or other forms of preferential traffic management, either (A) in exchange for consideration (monetary or otherwise) from a third party, or (B) to benefit an affiliated entity.
- (d) Awardee shall offer wholesale broadband services at rates and terms that are reasonable and nondiscriminatory, and at a minimum Awardee agrees to publicly advertise in the service area that broadband service is available at wholesale to any service provider; and (2) that the same wholesale contract will be used for all service providers requesting wholesale service and offered at the same per unit price.

Project Completion

Final Closeout

Construction Monitoring – Project Completion

- Project funds expended
- Contracts finished/closed
- Final Review of Proposed Funded Service Area construction
- Identification of "Success Stories"
- Construction Progress Report Construction Complete
- Closeout Report initiated
- Annual Project Performance Activity Report (3 years)
- Final Project Performance Activity Report

PFSA(S) 100%

GFR Supervisors

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Resources

- ReConnect Program main web page: <u>ReConnect Loan and Grant Program | USDA</u>
- ReConnect Forms and Resources: Forms and Resources | USDA
- Round III Application Guide
- Round III Construction Procedures Guide
- <u>ReConnect Reporting and Compliance Guide:</u>
- Links to contact information for GFRs and ReConnect GFRs:
 - <u>Telecom GFR Contacts | Rural Development (usda.gov)</u>
 - <u>ReConnect GFRs | Rural Development (usda.gov)</u>





Rural Development