



Construction Monitoring

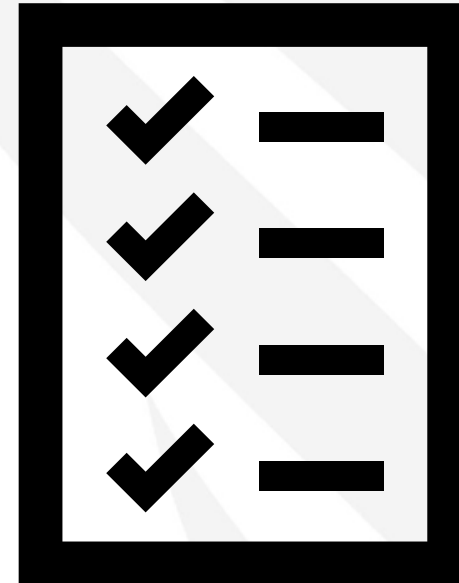
USDA RUS ReConnect Program



Rural Development

Agenda

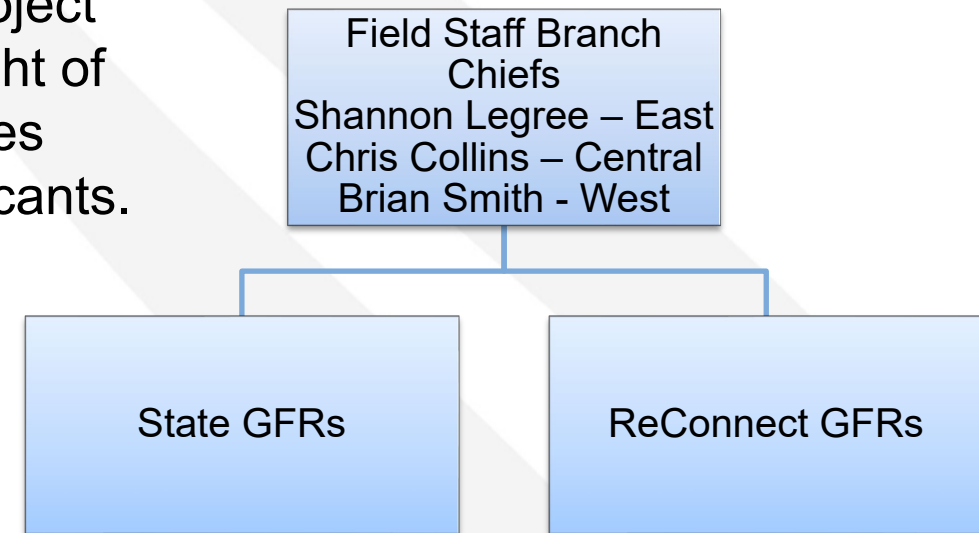
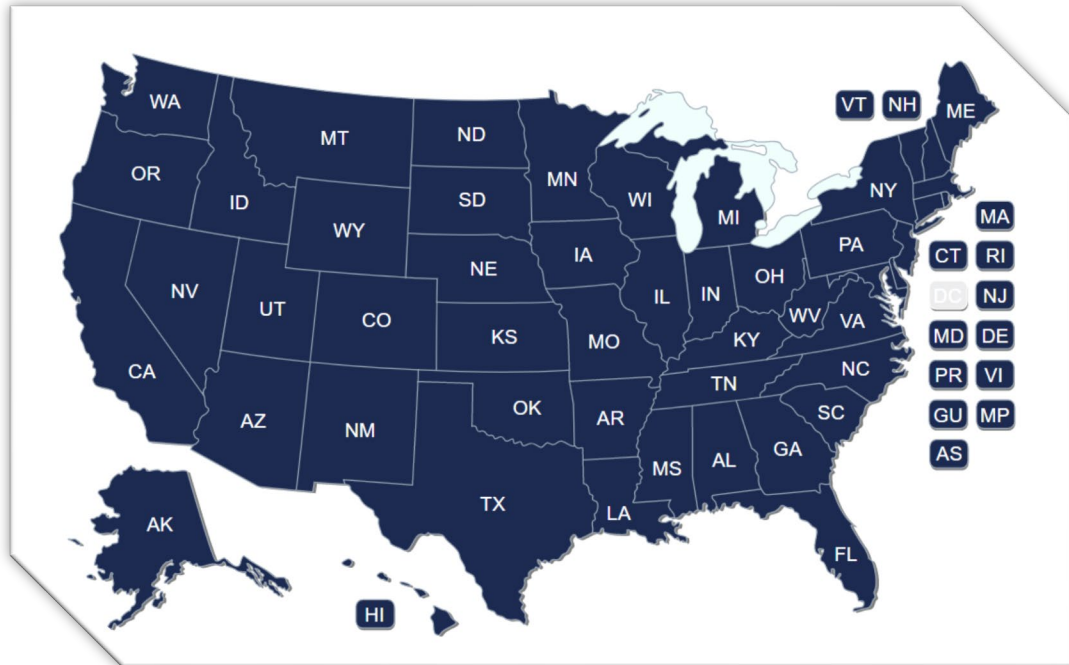
- I. GFR Defined
- II. Overall Communication
- III. Initial Visitation
- IV. Construction Phase
- V. Annual Compliance
- VI. Operational Reviews
- VII. Project Completion



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

Construction Monitoring – 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

Construction Monitoring – Initial Visit

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 Project Designation:
[RUS DESIGNATION]

ReCONNECT PROGRAM

GRANT AND SECURITY AGREEMENT

dated as of [date]

between
[AWARDEE'S NAME]

and
THE UNITED STATES OF AMERICA

RUS Project Designation:
[RUS DESIGNATION]

ReCONNECT PROGRAM

LOAN AND GRANT AGREEMENT

dated as of [date]

between
[AWARDEE'S NAME]

and
THE UNITED STATES OF AMERICA

RUS Project Designation:
[RUS DESIGNATION]

ReCONNECT PROGRAM

LOAN AGREEMENT

dated as of [date]

between
[AWARDEE'S NAME]

and
THE UNITED STATES OF AMERICA

Construction Monitoring – Initial Visit

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

Construction Monitoring – Initial Visit

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

Construction Monitoring – Initial Visit

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)

Construction Monitoring – Initial Visit

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

Construction Monitoring – Initial Visit

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

Construction Monitoring – Initial Visit

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)

Construction Monitoring – Initial Visit

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

Construction Monitoring – Initial Visit

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

Construction Monitoring – Construction Phase

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

Construction Monitoring – Construction Phase

Approved Project

DEPARTMENT OF AGRICULTURE

Rural Utilities Service

[Docket Number: RUS-21-Telecom-0010]

Rural eConnectivity Program

AGENCY: Rural Utilities Service, USDA.

ACTION: Funding opportunity announcement.

DEPARTMENT OF AGRICULTURE

Rural Utilities Service

7 CFR 1740

[RUS-20-Telecom-0023]

RIN 0572-AC51

Rural eConnectivity Program

AGENCY: Rural Utilities Service, USDA.

ACTION: Final rule; request for comments.

RUS Project Designation:
[RUS DESIGNATION]

ReCONNECT PROGRAM

GRANT AND SECURITY AGREEMENT
dated as of [date]
between
[AWARDEE'S NAME]
and
THE UNITED STATES OF AMERICA

UNITED STATES DEPARTMENT OF AGRICULTURE
RURAL UTILITIES SERVICE

USDA Rural Development
U.S. DEPARTMENT OF AGRICULTURE

Together, America's Farmers

Rural eConnectivity Program
Application for Fiscal Year 2022
(Version 2)

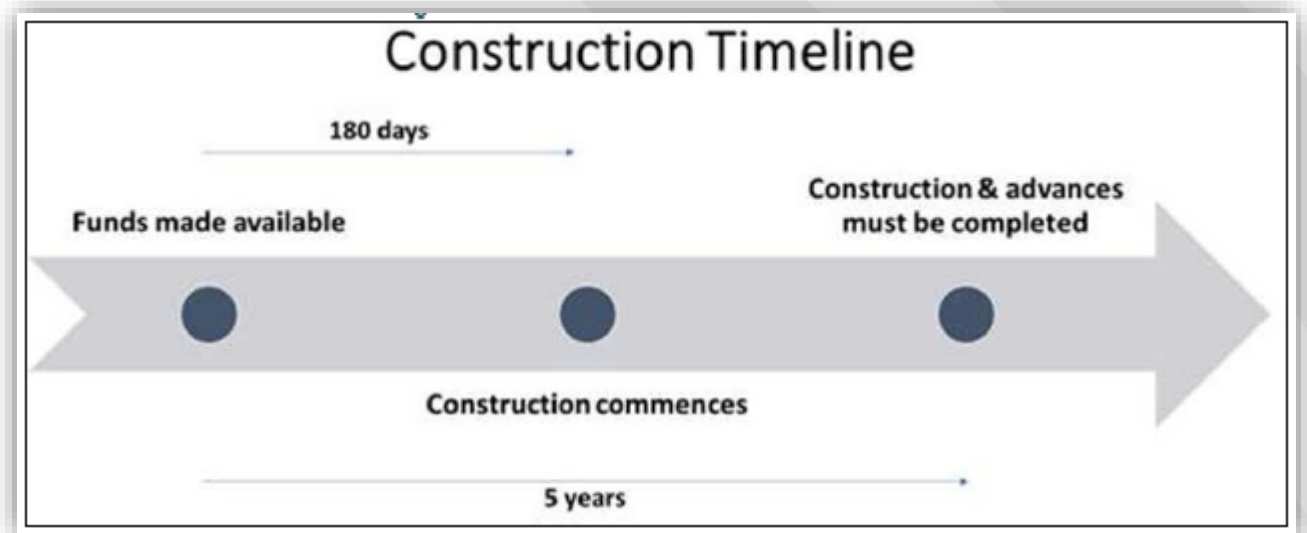
Awardee's Application

Rural Utilities Service
Telecommunications Program
January 25th, 2022

Construction Monitoring – Construction Phase

Project Buildout Timeline

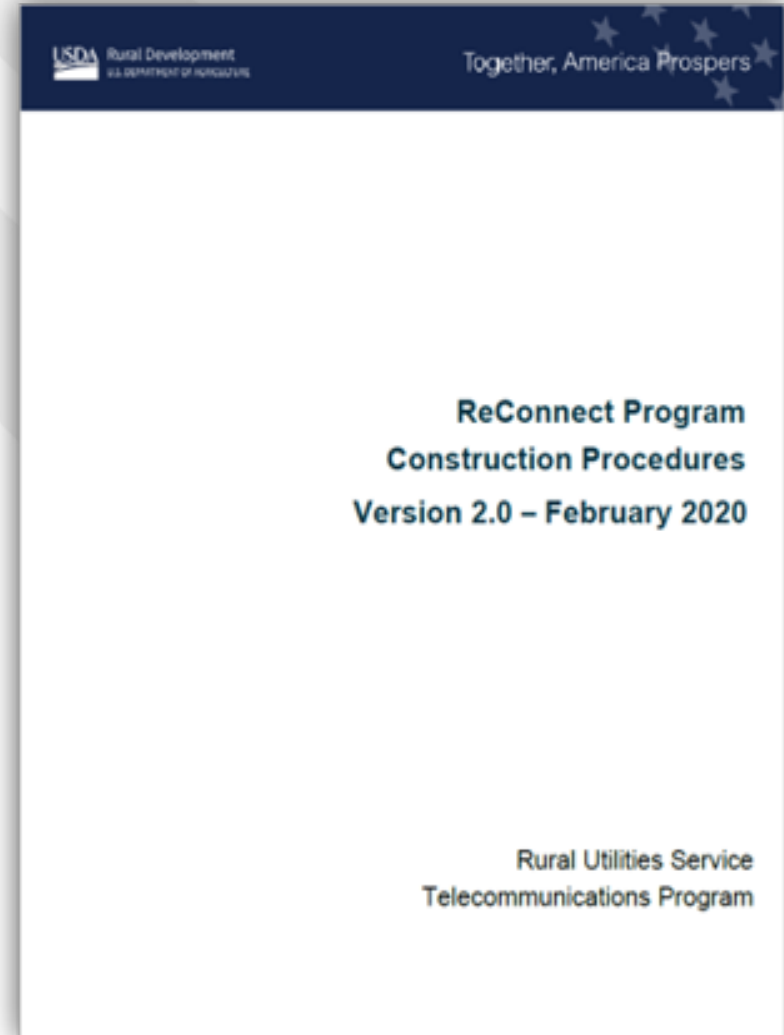
- 5-Year Buildout upon Release of Funds
- Funds must be advanced during this period
- Monitoring of progress performed to assist Awardee as necessary



Construction Monitoring – Construction Phase

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

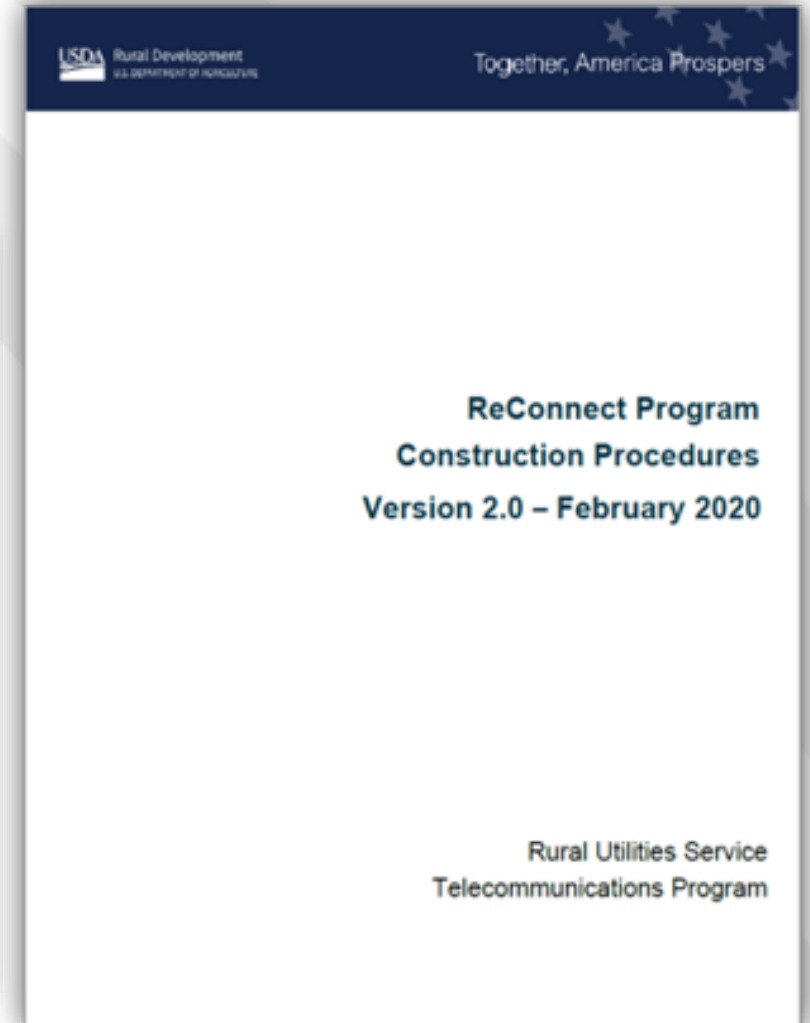


Construction Monitoring – Construction Phase

The ReConnect Program Construction Procedures

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Construction Monitoring – Construction Phase

The ReConnect Program Construction Procedures

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Examples of sections from the Procedures

Construction Monitoring – Construction Phase

The ReConnect Program Construction Procedures

Outside Plant Construction
General.....
Plans & Specifications
Procurement Methods.....
Contract Documents
Closeout Documents.....

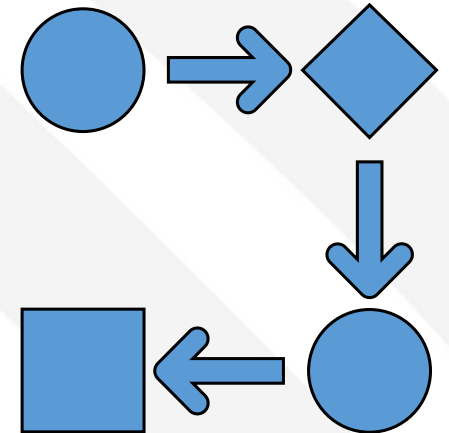
Documents Required to Closeout RUS Form 515						
RUS Form	Description	Copies prepared by		Distribution		
		Contractor	Engineer	Awardee	Contractor	RUS
724	Final Inventory--Certificate of Completion	---	2	1	1	---
724a	Final Inventory--Assembly Units	---	2	1	1	---
None	Contractor's Bond Extension (send to RUS when required)	3	---	---	---	3
281	Tabulation of Materials Furnished by Borrower	2		1	1	
213	Certificate (Buy American)	1	---	1	---	---
---	Listing of Construction Change Orders		1	1	---	---
224	Waiver and Release of Lien (from each supplier)	1	---	1	---	---
231	Certificate of Contractor	1	---	1	---	--
527	Final Statement of Construction	---	2	1	1	---
---	Reports on Results of Acceptance Tests	---	1	1	1	---
---	Set of Final Staking Sheets	---	1	1	---	---
---	Tabulation of Staking Sheets	---	1	1	---	---
---	Correction Summary (legible copy)	---	1	1	---	---
---	Treated Forest Products Inspection Reports or Certificates of Compliance (prepared by inspection company or supplier).	---	---	1	---	---
---	Final Key Map (when applicable)	---	1	1	---	---
---	Final Central Office Area and Town Maps	---	1	1	---	---

- Key resource for construction inspection
- Unless noted, Awardees keep documents on file
- Any submission to RUS through GFR

Construction Monitoring – Construction Phase

Contracts

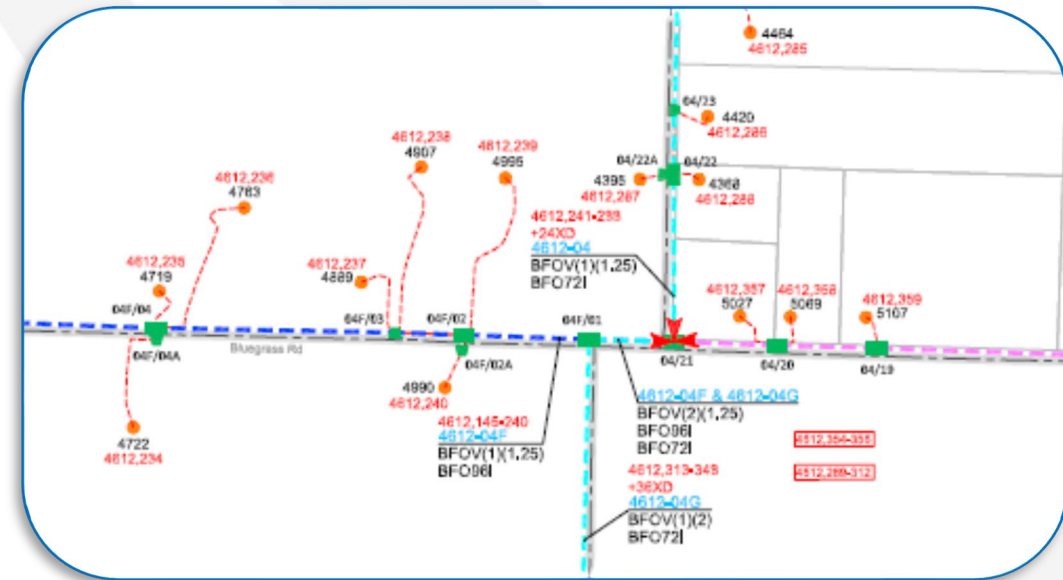
- Plans and Specifications Review (as required per Construction Procedures)
- Engineer's estimate / budgets
- Bidding / Competitive Procurement / Negotiation
- Contract Review – Submission for Approval (as required)



Construction Monitoring – Construction Phase

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)



Construction Monitoring – Construction Phase

- Environmental Compliance
- Changes and deviations from approved project.



Annual Compliance

Reporting and Financial Compliance

Construction Monitoring – Annual Compliance

Regulation 7 CFR 1740.80

Legal Agreements

- Quarterly Financial Report
- 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.....



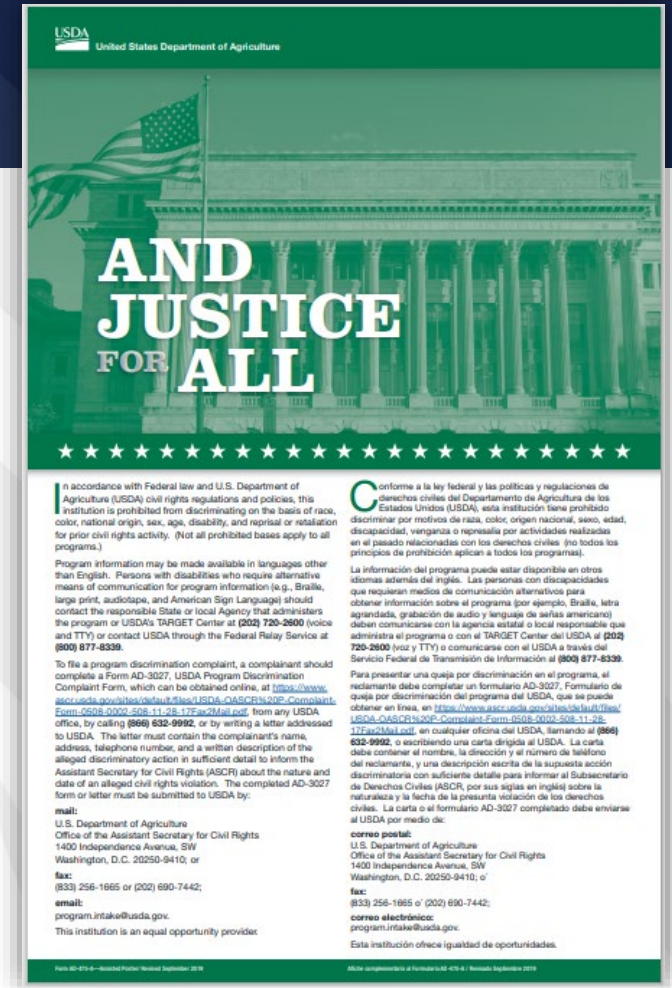
Rural Development Reporting & Compliance User Guide



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



Rural Development Civil Rights Office | Rural Development (usda.gov)

Construction Monitoring – Operational Reviews

Legal Agreement – Scoring Criteria

- Section 5.19 and Schedule 1

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.

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 Program:
N/A
3. Section 5.19 Scoring Criteria Commitments: Awardee has agreed to the following commitments for this Award:
 - (X) Affordable Pricing Packages
 - (X) Net Neutrality
 - (X) Wholesale Broadband Service
4. The additional affirmative covenants referred to in Section 5.20 are:

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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Territories: PR and VI

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Territories:

Resources

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





United States
Department of
Agriculture

Rural Development