April 18, 2025 Rhode Island Commerce Corporation REQUEST FOR PROPOSALS

Solicitation Number: **RFP-2508** ADDENDUM NO. 2 Updates to RFP as well as Partial Questions & Answers

REQUEST FOR PROPOSALS BROADBAND INFRASTRUCTURE PROJECTS

The Rhode Island Commerce Corporation ("Corporation") seeks proposals to receive funding to design and build broadband infrastructure projects ("Projects") in Project Areas ("PAs"). The Projects must be completed consistent with the National Telecommunications and Information Administration's ("NTIA") Broadband Equity, Access, and Deployment ("BEAD") Program's guidance and Notice of Funding Opportunity and Rhode Island's NTIA-approved Initial Proposal Volumes 1 and 2 ("IP"). Proposers should familiarize themselves with these documents (see Important Links and Guides section below).

A. Prospective Proposers and all concerned are hereby notified of the following changes in the Request for Proposals document for the above-listed RFP. These changes shall be incorporated in and shall become an integral part of the RFP documents.

- **1.** The deadline for submission of proposals has been extended to 2:00 p.m. on May 12, 2025.
- 2. The Corporation has specified the BSLs that qualify for the low-cost broadband service option. These BSLs are in Census Tracts in which the percentage of individuals with a household income that is at or below 150 percent of the poverty line applicable to a family of the size involved is higher than the state percentage of such individuals. The list is available <u>here</u>.
- **3.** The following sentence under IV.B. Eligible Costs is deleted: "*Incidental overbuild* costs cannot exceed 10% of the total project cost."

All other terms and conditions of the RFP shall remain in full force and effect.

B. Questions and Answers

Question #1: In the "classifica" column (Column B), what does "T" mean and what does

"F" mean? What is the significance of a "T" designation versus a "F" designation? Can the Corporation please answer this question as soon as possible? We note that NTIA's location classifications are "unserved (0), underserved (1) or served (2)." *See* NTIA Final Proposal Guidance, Version 1.2, at 88 (available at <u>https://ntia.gov/sites/default/files/2025-01/bead_final_proposal_guidance_v1.2.pdf</u>). Additionally, should we consider all locations marked with either classification in our analysis?

Answer #1: This column refers to the status of each BSL (unserved or underserved). The values mean:

- T = 1 = Underserved
- F = 0 = Unserved

Question #2: What version of the FCC Fabric is the list of eligible locations based on?

Answer #2: The list of eligible locations is based on the Federal Communications Commission's Fabric is 3.2

Question #3: Project Number 99 has 13 locations and the Project Name is "Other." Please explain why this project is named "Other" instead of being named after a geographic area like the other projects.

Answer #3: The NTIA requires the Corporation to post all eligible unserved and underserved locations for bid. Project Area 99 has been used to indicate locations which the Rhode Island Commerce Corporation believes will not be served by BEAD due to the characteristics of these locations not meeting the definition of a BSL requiring mass-market broadband. However, any Proposer may bid on these locations if interested.

Question #4: Page 7 of the RFP says "the Corporation has designed 14 PAUs." The "BEAD ProjectNum" and "BEAD ProjectName" columns of Appendix B, however, include 16 Project Numbers and 16 Project Names respectively. Is 16 the correct number of PAUs?

Answer #4: There are 14 eligible PAUs; PAU 4 & PAU 98 have been removed from the list of eligible locations (see RFP-2508 Addendum 1 posted on 4/7/25).

Question #5: If a particular fiber route represents "the most cost-effective and necessary approach to reaching Unserved or Underserved BSLs," but that fiber route "passes" served locations, what portion of the costs of that route would be considered to be "incidental" subject to the 10% cap? *See* RFP-2508 at 5 (discussion of "Incidental Overbuild costs").

Answer #5: This addendum removes the 10 percent cap on incidental overbuild cost described on page five of the RFP.

Question #6: If multiple unserved or underserved BSLs are intermingled with multiple served locations along a particular fiber route, what portion of that route constitutes an "overbuild" and what portion of the costs of that route would be considered to be "incidental" subject to the 10% cap?

Answer #6: See Answer #5.

Question #7: Will the Corporation provide templates that applicants should use for submitting pro formas, project budgets, etc.? If the Corporation plans to provide templates, please provide those as soon as possible.

Answer #7: The Corporation does not have proscribed templates. However, Proposers are asked to provide information that is printer-friendly and follows the order/numbering as outlined in the proposal.

(Question #8 – #10 are from Webinar)

Question #8: For construction, are there Prevailing Wage and/or Davis-Bacon requirements or are companies able to set wage scales?

Answer #8: Per the Corporation's Initial Proposal Volume 2, it is mandatory for all subgrantees (including contractors and subcontractors) the following requirements and it will incorporate them into binding legal commitments in the subgrants: Paying prevailing wages and benefits to workers, including compliance with Davis-Bacon and Service Contract Act requirements, where applicable, and collecting the required certified payrolls.

Question #9: What qualifies as an eligible match to meet the 25% matching fund requirement?

Answer #9: Matching funds may be provided in the form of either cash or in-kind contributions, so long as such contributions are made consistent with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards set forth at 2 C.F.R. Part 200. With some exceptions, funds from other Federal programs (including funds from the Commission's Universal Service Fund programs) generally may not be used as matching funds. See pages 20-22 of the BEAD Notice of Funding Opportunity.

Question #10: Are BEAD funds for one-time expenses?

Answer #10: Yes. The BEAD funds are for one-time design and construction deployment costs.

Question #11: Please confirm that a proposer's Project Area (PA) must include at least four Project Area Units (PAUs) in order for the proposer to identify a Crucial Project Area Unit (CPAU) for the Project Area. Page 7 of the RFP states that "Proposers may not designate more than one-fourth of a PA's PAUs as CPAUs" Given this limitation, it appears that a Project Area would need a minimum of four PAUs to designate a CPAU, as one-fourth of four PAUs equals one PAU. (Similarly, it appears that a Project Area would need a minimum of eight PAUs to CPAUs, as one-fourth of eight PAUs equals two PAUs.)

Answer #11: CPAUs are optional and there is no minimum of PAUs needed for a Proposer to identify a CPAU. No more than 25% can be designated as CPAUs. For example, if a proposer is proposing to serve 5 areas at most, then at most 1 PAU can be designated as a CPAU.

Question #12: Page 26 of RFP-2508 states that: "Proposers are required to offer the low-cost broadband service option to households located in areas in which the percentage of individuals with a household income that is at or below 150 percent of the poverty line applicable to a family of the size involved is higher than the state percentage of such individuals." What is the definition of "area" for purposes of RI's BEAD low-cost option?

Answer #12: The Corporation has specified the BSLs that qualify for the low-cost broadband service option – see the list attached in A.2 above. These BSLs are in Census Tracts in which the percentage of individuals with a household income that is at or below 150 percent of the poverty line applicable to a family of the size involved is higher than the state percentage of such individuals. See "List of Low-Cost-Eligible BSLs" above.

Question #13: Is there a publicly available list/information that shows all of the "areas" in Rhode Island and shows for each area whether "the percentage of individuals with a household income that is at or below 150 percent of the poverty line applicable to a family of the size involved is higher than the state percentage of such individuals"? If such a list does not exist, will the Corporation please publish such a list as soon as possible? Will this list be updated periodically, and if so, how frequently?

Answer #13: See Answers #12 and #14

Question #14: What happens if the poverty-line status of an "area" changes from one year to the next? For example, assume that in Year 1 the percentage of individuals in Area X "with a household income that is at or below 150 percent of the poverty line applicable to a family of the size involved is *higher than* the state percentage of such

individuals." Assume that in Year 2 the percentage of individuals in Area X "with a household income that is at or below 150 percent of the poverty line applicable to a family of the size involved is [*less than or equal*] to the state percentage of such individuals." Would all households at BEAD-eligible locations in Area X qualify for Rhode Island's BEAD low-cost option in Year 1 and yet those same households would not qualify in Year 2?

Answer #14: The Corporation will not update the PAUs that are eligible for low-cost internet. However, the Corporation expects all selected Proposers prioritize affordability throughout the BEAD program duration.

Question #15: Please confirm that the requirements of the BEAD low-cost option apply only to the BEAD-eligible locations identified in Appendix B of the RFP and do not apply to any other locations.

Answer #15: Confirmed.

Question #16: in the file referenced in the RFA documents titled "List of PAUs w/Eligible Locations." The file includes classifications marked as "T" and "F" for locations. Could you please confirm what these designations indicate? Additionally, should we consider all locations marked with either classification in our analysis?

Answer #16: See Question 1 for definitions of "T" and "F". All locations with either classification must be served within a PAU.

Question #17: Has RICC already processed applications for prequalified sub grantees for BEAD?

Answer #17: The Corporation did not engage in a separate prequalification process beyond the requirements in RFP-2508.

***End of Addendum ***