

# Arkansas BEAD Program

Friday Technical Assistance Session

SEPTEMBER 6, 2024



## Agenda topics (review from Wednesday's Webinar)

- 1 Project Area Rules: Select examples

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- 2 Reference Prices: Select examples

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- 3 Minimum Point Threshold: Select examples

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- 4 Q&A

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# Project Area Rules

## Recall: There are four key rules to follow when designing a project area

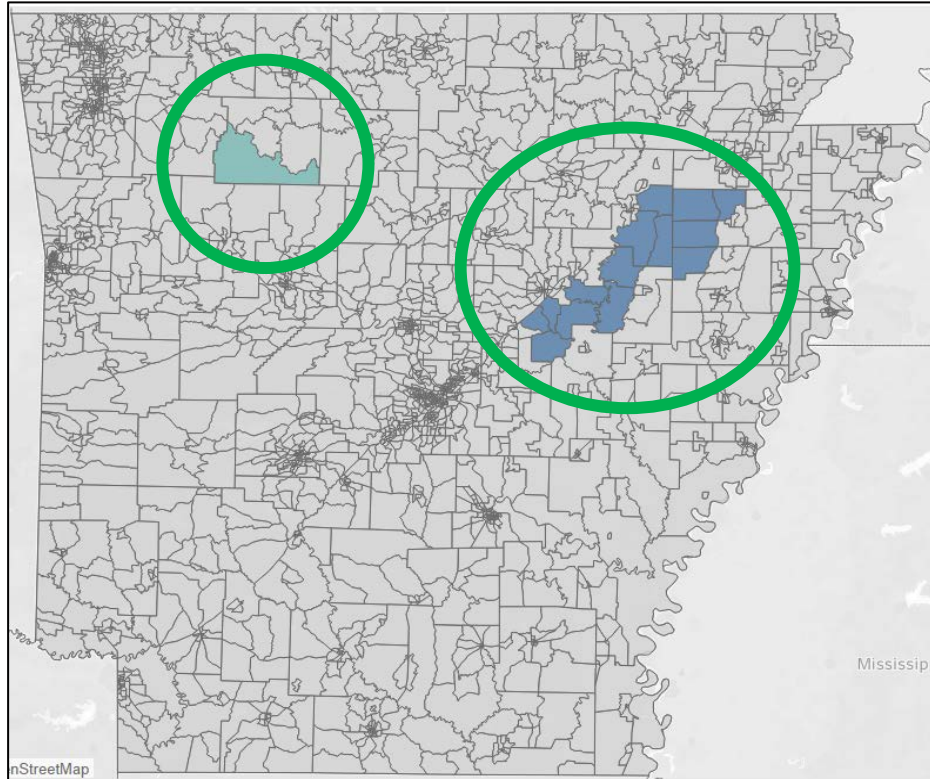


### Design the project area using the following **project area rules**

- 1 CBGs as building blocks:** Project areas are comprised of one or more CBGs, and bids must include all eligible locations within a selected CBG.
- 2 CBG limitations:** An applicant may include the same CBG in a maximum of three bids in Tranche-1.
- 3 Contiguity:** CBGs in project areas must be contiguous (sharing any amount of border, including a single point or corner).
- 4 Contained CBGs:** When a CBG sits within the boundaries of another CBG, the applicant must include both CBGs in its project area if bidding for either.

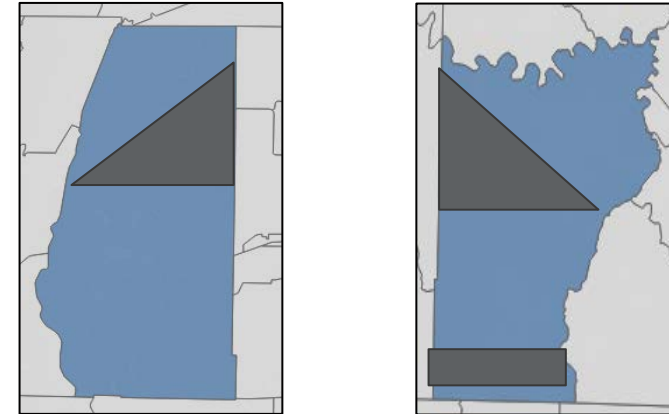
# Rule 1: Project areas are comprised of one or more CBGs, and bids must include all eligible locations within a selected CBG



Examples of Accepted Project Areas:



 Project Area 1  
(1 CBG)       Project Area 2  
(multiple contiguous CBGs)

Examples of Not Accepted Project Areas:

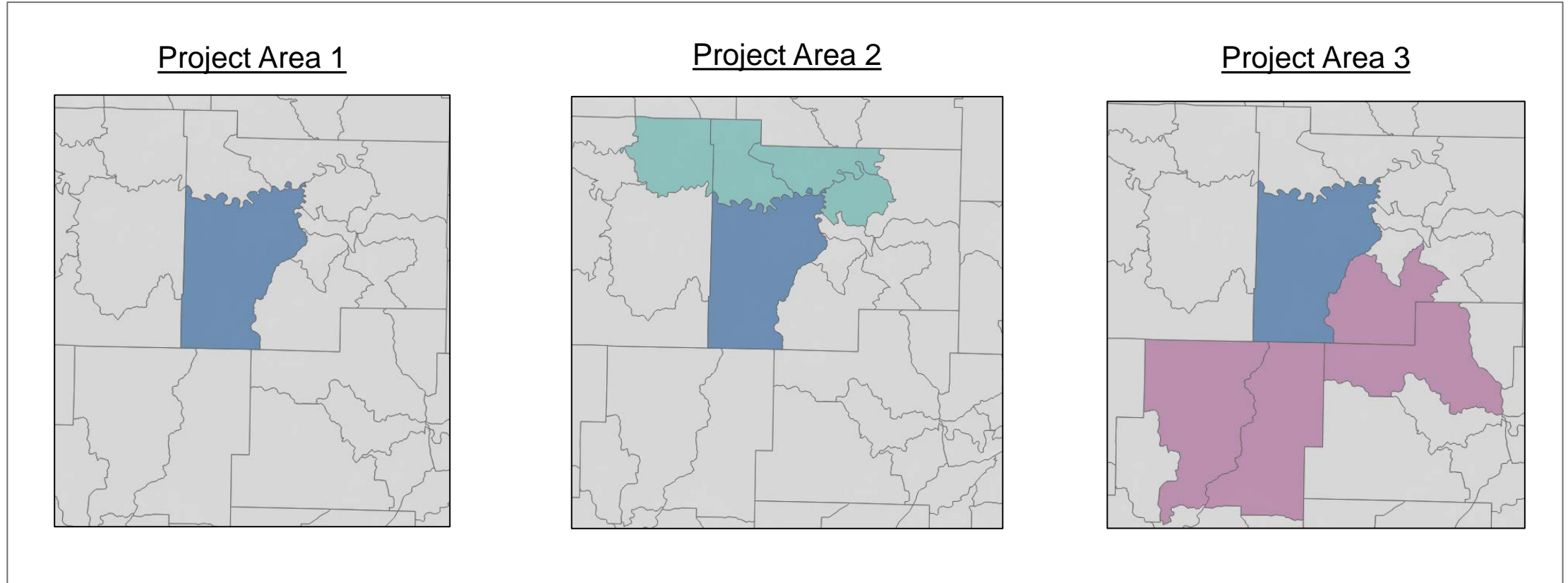


 Part of CBG included in Project Area  
 Part of CBG excluded from Project Area

Applicants will not be permitted to select parts of a CBG.

**Rule 2:** An applicant may include the same CBG in a maximum of three bids in Tranche-1

Consider **three bids** submitted by the **same ISP:**



By Rule 2, the ISP will **not be allowed** to include the blue CBG in a fourth bid.

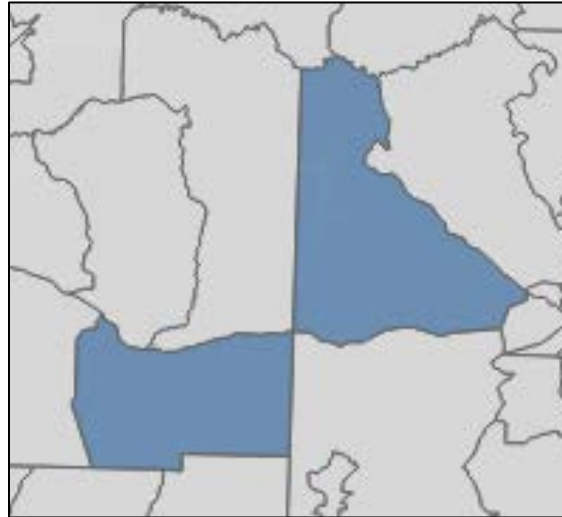
# Rule 3: CBGs in project areas must be contiguous (sharing any amount of border, including a single point or corner)

Example 1: CBGs share a border



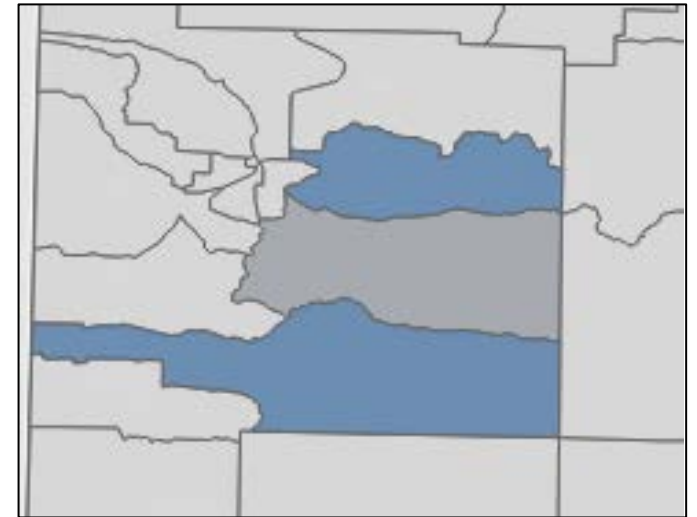
✓ Acceptable Project Area

Example 2: CBGs touch at a single point



✓ Acceptable Project Area

Example 3: CBGs are contiguous to a 3<sup>rd</sup> CBG with no eligible locations, so the set is contiguous

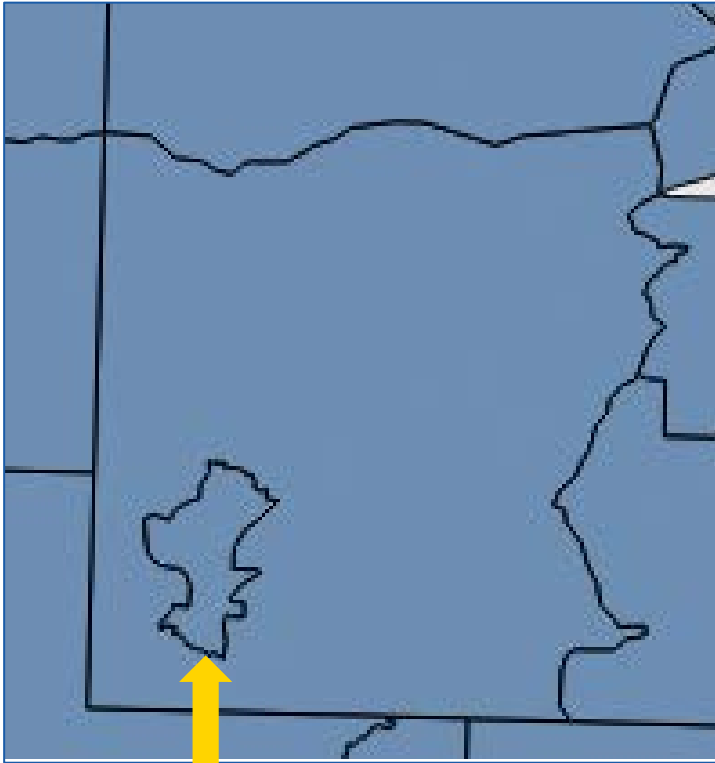


■ CBG with eligible locations  
■ CBG with 0 eligible locations

✓ Acceptable Project Area

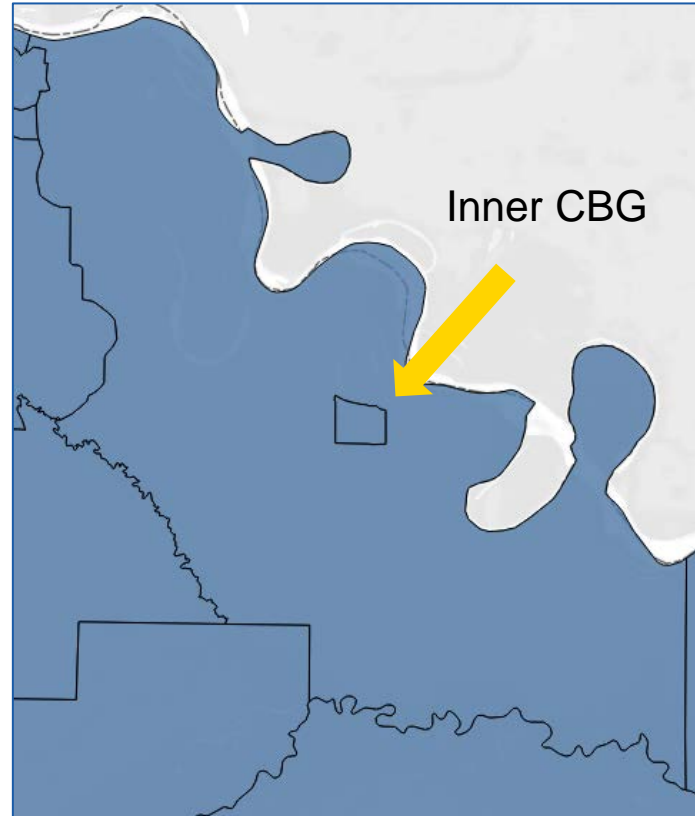
**Rule 4:** When a CBG sits within the boundaries of another CBG, the applicant must include both CBGs in its project area if bidding for either

Example 1

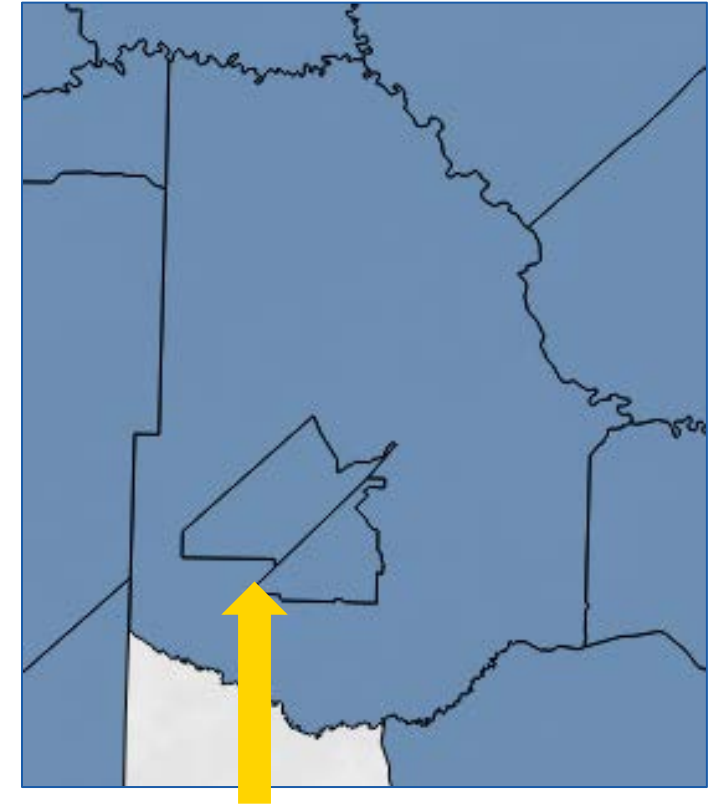


Inner CBG

Example 2



Example 3



Inner CBGs (x2)

If bidding for the outer CBG, the applicant would need to include these inner CBGs (or vice versa).



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# Reference Prices

## Deep-dive:

# Reference Prices



### 1 What is it:





- Numbers published for each CBG with Eligible locations which are used for scoring Applicants' bids. The Reference Prices are based off the build cost data provided by Cost Quest, with a minimum Reference Price of \$50,000 per CBG
- Applicants' requested subsidies are not limited to the Reference Price numbers. They may request any amount of subsidy they deem necessary for their project area



### 2 How does it impact bids:

- Used to score bids on a scale of 0 to 40 points (details in Scoring Rubric)
- In Tranche-1, a bid's requested subsidy must be lower than the sum of the included CBGs' Reference Prices to be considered for Buy It Now award
- Bids which request subsidy more than two times the Reference Price will not be considered for an award during Tranche-2

## Tranche-1 | Examples of Requested Subsidies and how they impact the score / outcome of the bid

	Bid A	Bid B	Bid C	Bid D
Reference Price	\$100,000	\$250,000	\$500,000	\$1,000,000
Bidder's Requested Subsidy	\$110,000	\$250,000	\$300,000	\$2,000,000
Points out of 40 (1.1 BEAD Minimization Outlay)	18/40	20/40	28/40	0/40
Eligible for BIN award (subject to all other BIN criteria)				
Reasoning	Requested Subsidy is <b>above</b> the Reference Price	Requested Subsidy is <b>equal to</b> the Reference Price	Requested Subsidy is <b>below</b> the Reference Price	Requested Subsidy is <b>above</b> the Reference Price

## Tranche-2 | Examples of Requested Subsidies and how they impact the score / outcome of the bid

	Bid A	Bid B	Bid C	Bid D
Reference Price	\$100,000	\$250,000	\$500,000	\$1,000,000
Bidder's Requested Subsidy	\$110,000	\$250,000	\$300,000	\$2,200,000
Points out of 40 (1.1 BEAD Minimization Outlay)	18/40	20/40	28/40	0/40
Eligible for Tranche-2 award (subject to all other adjudication rules)				
Reasoning	Requested Subsidy is <b>below 2x</b> the Reference Price	Requested Subsidy is <b>below 2x</b> the Reference Price	Requested Subsidy is <b>below 2x</b> the Reference Price	Requested Subsidy is more than <b>2x</b> the Reference Price

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# Minimum Point Threshold (MPT)

## Deep-dive:

# Minimum Point Threshold (MPT)



### 1 What is it:

- The minimum number of points which a noncompetitive bid must score in Tranche-1 to be considered a “Buy It Now” bid.
- The MPT is 47.5 points, which is 50% of the ninety-five scorable points in Tranche-1. ARConnect reserves the right to modify this number based on approval of IPvII.






### 2 How does it impact bids:

- MPT impacts only non-competitive bids (i.e., bids that do not overlap with any other bids); there is no impact on competitive bids
- A non-competitive bid must score equal to or higher than the MPT to be considered a Buy It Now bid (bid must also meet the other criteria that are required for Buy It Now bids)

## Noncompetitive bids must score above the Minimum Point Threshold in Tranche-1 only




### Noncompetitive bids in **Tranche-1**

Bids	Eligible for a BIN award?	Reasoning
Bid A Score: 55		$55 > \text{MPT (47.5)}$
Bid B Score: 45		$45 < \text{MPT (47.5)}$
Bid C Score: 47.5		$47.5 = \text{MPT (47.5)}$

#### Summary:

Bid A and Bid C are eligible for a BIN award, subject to other BIN criteria. Bid B is not eligible for a BIN award, so will be **Carried Forward** to Tranche-2.

### Noncompetitive bids in **Tranche-2**

Bids	Eligible for award?	Reasoning
Bid A Score: 55		No MPT in Tranche-2
Bid B Score: 45		
Bid C Score: 47.5		

#### Summary:

There is **no Minimum Point Threshold in Tranche-2**, so all bids are eligible for an award, subject to the rules of adjudication.

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# Q&A