

261—411.7 (83GA,SF376) Application review procedures.**411.7(1) Application review committee and final board action.**

a. Application review committee. Applications meeting the threshold requirements of rule 261—411.5(83GA,SF376) will be reviewed by an application review committee (“the committee”). The committee shall consist of at least two board members and at least five staff members jointly provided by IDED, ITTC, and IUB.

b. Committee review and recommendation to the board. The committee members will score the applications according to the criteria set forth in subrule 411.7(2). A copy of the application scoring sheet that will be used by the committee is available for viewing at www.broadband.iowa.gov. The committee shall use consensus scoring and shall rank order the applications. The committee shall prepare a summary of the applications and the rank order scoring results and shall present to the board the committee’s recommendations for approval, denial, or deferral of applications.

c. Board action. All eligible applications and any summaries and recommendations by the application review committee will be reviewed by the board. Summaries, scores, and recommendations by the application review committee shall be wholly advisory and shall be for the board’s convenience. The board shall not be bound by any findings or conclusions of the application review committee, and the board shall not be required to give deference to any determination by the application review committee. The board may create summaries, award scores, or make conclusions that depart in whole or in part from those conclusions reached by the application review committee. The board shall make the final decision on all applications.

411.7(2) Evaluation criteria. The application review committee shall evaluate and score applications based on the following criteria:

a. Project purpose. (0-25 points) An application will be reviewed to evaluate the purpose of the project and its consistency with statutory intent for this program. Rating factors for this criterion include, but are not necessarily limited to, the following:

(1) Promote universal access. The degree to which a project will provide service to unserved areas or improve service to underserved areas of Iowa as identified by current broadband availability data or as ultimately determined by the state broadband mapping project.

1. If a project proposes to serve an unserved area, the percentage of households in the proposed service area (as defined by census block) that will be served by the project.

2. If a project proposes to improve service to an underserved area, the percentage of households in the proposed service area (as defined by census block) that will have improved service.

Points will be awarded on a sliding scale. The higher the percentage of households that will be served or that will have improved service, the more points awarded.

(2) Private enterprise. Whether the applicant is a qualified private provider. Additional consideration will be given to applications from qualified private providers of broadband service.

(3) Public-private partnership. Whether public and private collaboration is required for the project, as appropriate.

(4) Public entities. Whether participation by the public entity will promote access in an area that remains unserved or underserved due to lack of private sector investment.

b. Project benefits. (0-25 points) Applications will be reviewed to evaluate the degree to which the proposed project will offer service at an advertised speed which exceeds the federal requirements. Rating factors for this criterion include, but are not necessarily limited to, the following:

(1) Advertised speeds above federal minimums. For wireline last mile projects and wireless last mile projects, the advertised downstream and upstream speeds. More points will be awarded for higher speeds.

(2) Middle mile projects. For middle mile projects, the degree to which the proposed project is sustainable and supports the goal of universal access to high-speed broadband service for the benefit of Iowans. Consideration will be given to the project’s impact on the area, including proposed connections

to last mile networks and benefit to community anchor institutions or public safety entities; the level of need for the project in the area, including whether projected end users are located in unserved or underserved areas; and network capacity, i.e., whether the network provides sufficient capacity to serve last mile networks, community anchor institutions and public safety entities.

(3) Synchronous data transmission. Whether the proposal contemplates synchronous data transmission capabilities and at what speed.

(4) Affordability of services offered. Proposed pricing will be evaluated based on comparison to published unbundled prices and speeds for existing broadband services in the proposed funded service area. If there are no existing broadband services present, an applicant must demonstrate that proposed pricing is appropriate for the proposed service area.

(5) Community impact. How the project impacts job creation and economic development and provides other benefits to the targeted community.

(6) Speed of completion. How quickly the project will be completed.

c. Project viability. (0-25 points) Applications will be reviewed to evaluate the viability of the proposed project. Rating factors for this criterion include, but are not necessarily limited to, the following:

(1) Economic sustainability. The extent to which the proposed project will not require any additional funding from the state in the course of normal operations.

(2) Applicant's track record. Whether the applicant possesses a record of accomplishment for historically similar projects.

(3) Financial metrics. How the project compares to similar projects, including but not limited to return on investment, internal rate of return, net present value, payback, break-even analysis, capital cost per household, and debt metrics.

d. Project budget and sustainability. (0-25 points) Applications will be reviewed to evaluate the reasonableness of the budget and sustainability of the proposed project. Rating factors for this criterion include, but are not necessarily limited to, the following:

(1) Reasonableness of the budget. Points will be awarded based on adequacy and completeness of the proposed budget.

(2) Ratio of state funding request to number of households passed (cost of funding request per household). Points will be awarded on a sliding scale. More points will be awarded for lower cost per household.

(3) Funding leverage (outside funding/government funding). The degree to which the proposed project leverages outside funding sources. The higher the ratio, the more points awarded.