

FORM DAP-AT-E2

EXHIBIT 2

FOR

BROADBAND LOCAL PLANNING ASSISTANCE TO ARIZONA  
COMMUNITIES

PROVIDED BY

DIGITAL ARIZONA PROGRAM<sup>1</sup>

SEPTEMBER 30, 2013

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<sup>1</sup> The DIGITAL ARIZONA PROGRAM (DAP) is funded by National Telecommunications and Information Administration (NTIA) State Broadband Development Initiative (SBDI), a federal grant to the State of Arizona. DAP is managed by Arizona Strategic Enterprise Technology (ASET) and its planning partner, the Arizona Telecommunications and Information Institute (ATI Institute).



## Exhibit 2 - Statement of Work

### Name of Project: Cochise County

- A. Start date of Project: September 15, 2013
- B. Estimated date of Project Close: April 30, 2014
- C. Major billable Milestones as per agreement:
  1. Completion of Business Case Analysis (BCA) for broadband expansion for regions within the COCHISE COUNTY four counties and four regions.
  2. Identification of feasible Grant opportunities. (actual grant writing to be accomplished through technical assistance dollars)
  3. Creation of Regional Broadband sub-committees within four regions region.
  4. Completion of broadband webpage(s) on county government sites to communicate progress and foster community interest in activities.
- D. Milestone completion-time allocation plan for all billable milestones listed above (by region):
  - Region 1: Cochise County = Douglas
  - Region 2: Graham County = Safford/Salomon
  - Region 3: Santa Cruz = Nogales/Rio Rico
  - Region 4: Greenlee = Clifton/Morenci

All Deliverables will be completed in 9.0 months ending April 30, 2013

1. Preparation of a Business Case Analysis:
  - I. Work with the identified regions to assess the Inventory of broadband services and infrastructure currently available.
  - II. This Inventory will utilize such data resources as the Broadband Community Map, City-Data, ACA, DES, USA Reference and other applicable data resources to determine the current broadband capabilities and resources for targeted regions.
  - III. A Systems Requirement document will be prepared. It will present what is required to meet standard and above standard broadband capacity to adequately provide a competitive infrastructure to support Jobs/Economic Development, Education and Tele-Health within each of the four regions. The distinctions between the Broadband Inventory and the Systems Requirements will become the basis of the Business Case analysis for determining the levels of investment the private sector will be encouraged to make by the regions listed for meeting their broadband development goals.
  - IV. An analysis of potential demand aggregation and its incentive value for private sector broadband investment in each region will be created as part of the business case analysis.

- V. A survey to gather data to be utilized in generating a report on current adoption of broadband services by educational and healthcare entities, businesses and private citizens including expectations from the communities for what would constitute desired levels of broadband capacity and services.

2. Grant opportunity identification

- I. Research, identify and qualify feasible grant opportunities for funding or partial funding of middle mile conduit build outs utilizing SB1402 or other digital capacity (broadband) improvement projects to support availability of increased capacity to the target regions, will be completed (actual grant writing to be accomplished through technical assistance dollars).

3. Broadband Committees

- I. Create Regional Broadband sub-committees within the four regions region. These Committees' formations are scheduled to occur by or before October 30, 2013. The subcommittees will serve as a voice for the local communities within the four regions region in driving the availability of broadband capacity and services.

4. Broadband focused Webpage(s)

- I. Publication of pages is expected to occur at the inception of the approved activities. There will be periodic updates to include major milestone reporting on Broadband Local Planning efforts. These webpages will reflect community involvement and items of interest relating to the Digital Arizona Program and activities of the newly established Broadband Committees within the three country region. The Web links will identify the specifics of the Digital Arizona Program administered by ASET, the Regions assisted by Broadband Local Planning funds, and the Goals of these efforts.

- E. As Stated in our Request for Funds application, the following goals will be accomplished as a result of Local Broadband Planning Funding.

1. A Business Case Analysis (BCA) that defines broadband expansion requirements for communities/regions within the four regions region. This analysis will account for existing broadband services and infrastructure, define what is desired by the communities in question as improvements in digital capacity and services and describe practical and feasible approaches for aggregating broadband demand as an incentive to private sector investment in improving digital capacity. This BCA will include a Report on current adoption of broadband services by educational and healthcare entities, businesses and private citizens including expectations from the communities for what would constitute desired levels of broadband capacity and services.
2. Identification of one or more feasible grants opportunities which can support increased digital capacity.

3. Working and effective Broadband sub-committees which act as an ongoing voice for the local communities in driving the availability of better broadband services.
  4. Website pages to be an ongoing communication tool for the communities to foster citizen and stakeholder involvement in better broadband.
- F. The following deliverable(s) will be generated in pursuit of the above stated goals for the program. (Explain the deliverables; indicate which goals the deliverables support). These deliverables will be provided to ASET with Executive Summaries, Tables of Contents, Body of Report per Tables of Contents, Additional appendices as needed.
1. A Business Case Analysis (as described in section E & F above)
  2. Identify feasible grant opportunities and summary of results (as described in section E & F above)
  3. Regional Broadband sub-committees within Counties (as described in section E & F above)
  4. Webpages within current County websites (as described in section E & F above)

Any pertinent parsing of program costs, Milestones etc., should also be explained in detail, here.

#### Schedule of Billing Milestones and Deliverables

The table below details the schedule of billing milestones and deliverables to be adhered to throughout this engagement. A total of \$32,500 is awarded to COCHISE COUNTY, to be distributed equally across the regions identified in this agreement. Entity shall provide ASET with examples of milestones listed below along with billing invoices per due dates of deliverables. Invoices must also indicate matching contributions as described below in order to facilitate ASET's reporting to NTIA.

Deliverable		Billing Milestone & Delivery to ASET Based Upon Approx. % Complete						
(As Detailed in Section G)		Start 15%	25%	38.46%	75%	DRAFT to ASET	100%	Total \$
1	Business Case Analysis	9/15/13	10/15/13	11/15/13	1/31/14	4/10/14	4/30/14	
2	Grant Identification	9/15/13	10/15/13	11/15/13	1/31/14	4/10/14	4/30/14	
3	Regional BB Subcommittee	9/15/13	10/15/13	11/15/13	1/31/14	4/10/14	4/30/14	
4	Webpage Publication/Updates	9/15/13	10/15/13	11/15/13	1/31/14	4/10/14	4/30/14	
	Region 1 - Billable Amount	1,218.75	\$812.50	1,093.625	2,968.875	\$0	2,031.25	\$8,125
	Region 2 - Billable Amount	1,218.75	\$812.50	1,093.625	2,968.875	\$0	2,031.25	\$8,125
	Region 3 - Billable Amount	1,218.75	\$812.50	1,093.625	2,968.875	\$0	2,031.25	\$8,125
	Region 4 - Billable Amount	1,218.75	\$812.50	1,093.625	2,968.875	\$0	2,031.25	\$8,125
	Total Billable to ASET	\$4,875	\$3,250	\$4,375	\$11,875	\$0.00	\$8,125	\$32,500
	Entity's Total Matching *	\$0	2,031.25	1,093.625	2,968.875	\$0.00	2,031.25	\$8,125
	Total Budget \$	\$4,875	5,281.25	5,468.125	13,844.375	\$0.00	10,156.25	\$40,625

\*Matching dollars are not required to be posted per this schedule; however, final total of \$8,125 must be accounted for through report to ASET by the agreement end-date (4/30/14)

Additional explanation of COCHISE COUNTY Broadband Local Planning Budget:

Amount Requested from ASET *	\$32,500
Region 1: Cochise County = Douglas	\$8,125
Region 2: Graham County = Safford/Salomon	\$8,125
Region 3: Santa Cruz = Nogales/Rio Rico	\$8,125
Region 4: Greenlee = Clifton/Morenci	\$8,125
Total Matching Contribution (25% of \$32,500)**	\$8,125
Total Proposed Budget	\$40,625

\* Includes management and administrative costs such as non-ATI Institute consultant(s) or in-house staff in the development and support of Business Case Analysis, web page integration into existing website(s) and Regional Broadband Sub-Committee.

\*\*Indirect costs should be limited to no more than 17% of the ASET funding and should be paid for as part of the \$8,125 matching contribution.