



September 9, 2024

## Scott Arneson/Goodhue County

GOODHUE COUNTY CONGRESSIONALLY FUNDED PROJECT DESCOPE

Dear Scott/Goodhue County Commissioners,

This memorandum is regarding the Congressionally Funded Project submitted by Representative Angie Craig.

Its purpose is to describe the initial project, some of the challenges encountered, what has been discussed with USDA regarding the proposed descope and the thought process that led us to the proposed revised submission and accompanying map.

- Initial project budget(s) were approximately \$4,129,428. These were prepared in early 2021. Project costs rose significantly during that period due to labor and material shortages due to the COVID-19 pandemic and a general acceleration in broadband projects and funding from various state and federal programs.
- By the time the project was officially cleared to begin construction there were several issues that needed to be resolved:
  - Some of the project areas were built out of the original 6 PFSA's the CBRS wireless project (Hader tower) and Welch village were constructed due to commitments outside of the grant agreement.
  - The project costs had effectively doubled and the business case to build these areas with fiber was no longer viable.
- Nuvera and Goodhue County contacted RUS and received permission to explore descoping the project to get budgets back in line.
- Many options were explored, nearly every area was analyzed for how it impacted the
  overall budget and alternate scenarios to improve broadband if it were to be cut from
  the project.





- In the end the de-scoped project boundary reflects several guiding principles:
  - Maximize benefit to Goodhue County locations, there were several locations in neighboring Wabasha County that were removed due to the fact that Goodhue County is the primary awardee. The only locations in Wabasha County that are included are those that lie along routes that must be constructed to connect to existing Nuvera assets in Wabasha County.
  - We also looked at alternative technologies. Nuvera owns licensed spectrum and
    is experienced in constructing and operating these networks. Several areas
    around Goodhue that were removed were cut because preliminary engineering
    analysis shows that these locations would be relatively easy to serve with a fixed
    wireless solution.
  - Finally, we looked for other funding solutions. We believe that the areas around Goodhue will also be eligible for BEAD funding once the de-scoping process is complete. We have discussed this with both RUS and the MN State Broadband Office. Nuvera is evaluating BEAD rules and regulations to determine if additional funding can be obtained.
- In the end we were able to pull budgets nearly back in line with the original numbers, we prioritized Goodhue County residents and businesses and built to areas where no other technology was viable, or funding source was available.

Nuvera remains committed to this project and will do everything possible to see it to a successful conclusion.

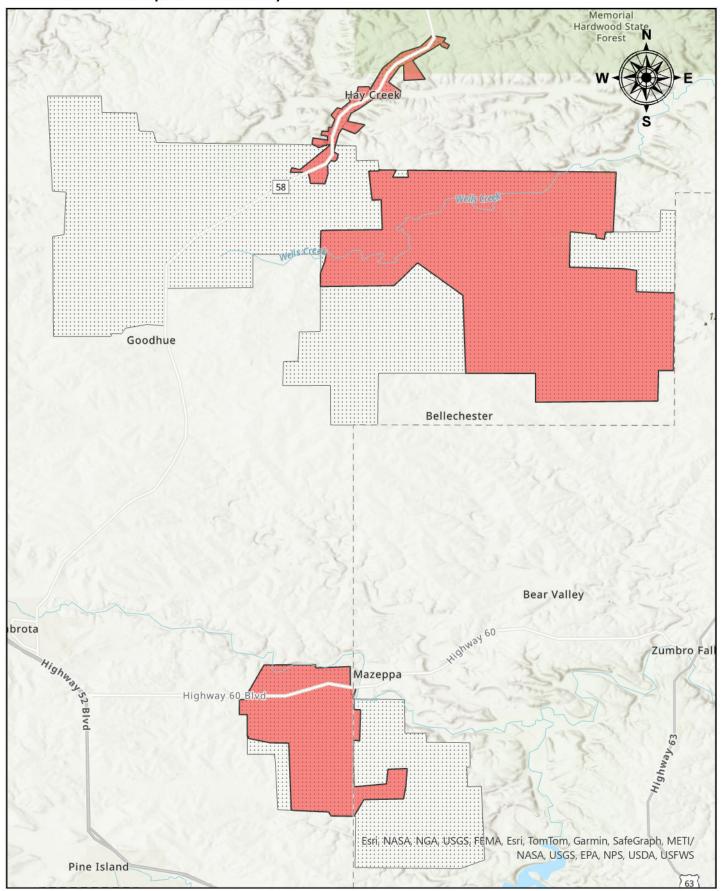
If you have any questions, I am always available and will help you and your Commission in any way possible.

We truly value our partnership with Goodhue County and look forward to completing this and many more projects in your territory.

MONTY MORROW NUVERA

## Nuvera - Congressionally Directed Spending (RUS)

## Goodhue Descoped Boundary



Legend



