

BROADBAND EQUITY, ACCESS, AND DEPLOYMENT PROGRAM

BEAD Initial Planning Budget Narrative

Applicant Name: **California Public Utilities Commission (CPUC)**

Applicant Type: **State**

Proposed Period of Performance: 5 Years (60 months) from Date of Award

Total Project Costs: \$4,996,502

Total Federal Grant Request: \$4,996,502

Total Matching Funds (Cash): \$0

Total Matching Funds (In-Kind): \$0

Total Matching Funds (Cash + In-Kind): \$0

Total Matching Funds (Cash + In-Kind) as Percentage of Total Project Costs: 0%

Administrative and legal expenses - \$1,741,852

Activity	Description	Unit Type	Unit Cost	Number of Units	Total Cost
3	Public and Stakeholder Outreach Contract	1-Year contract (details below)	\$413,668.00 per year	1	\$413,668.00
4	Program and Project Supervisor – Salary	Annual Salary (1 Year)	\$ 153,024.00 per year	2	\$ 306,048.00
4	Program and Project Supervisor – Fringe	Annual Fringe (1 Year)	\$86,489.00 per year	2	\$ 172,978.00
4	Outreach Coordinator (SSM I Spec.) – Salary	Annual Salary (1 Year)	\$88,296.00 per year	2	\$ 176,592.00
4	Outreach Coordinator (SSM I Spec.) – Fringe	Annual Fringe (1 Year)	\$49,905.00 per year	2	\$ 99,810.00
4	Activity Assist Hiring New Staff (PURA V) – Salary	Annual Salary (1 Year)	\$119,076.00 per year	2	\$ 238,152.00

4	Activity Assist Hiring New Staff (PURA V) - Fringe	Annual Fringe (1 Year)	\$67,302.00 per year	2	\$ 134,604.00
7	Workforce Development Planning (contract)	1-Year contract (details below)	\$200,000.00 per year	1	\$200,000.00
	Total				\$1,741,852

Activity 3: Public and Stakeholder Outreach

Public and Stakeholder Outreach Contract (\$413,668—1 12-month contract): A stakeholder and event management consultant will provide logistical support for up to 20 stakeholder and regional public community listening sessions. Up to \$200,000 would be used for grants to community-based organizations and local and Tribal governments to do outreach activities. The consultant will provide facilitation and logistical event support for all events. Facilitation support includes preparing and providing engaging activities to solicit input from stakeholders. Event management support includes obtaining event space, AV equipment, and other facility items (tables, chairs, etc.). Other activities include setting up a method for sending out invitations to the event, tracking RSVPs, and managing the welcome desk at the beginning of the events/meetings and publishing notes from the event. The budget is based on an estimate of tasks as follows:

Task	Unit Cost	Qty.	Subtotal
Outreach plan (consultant)	\$10,000.00	1	\$10,000.00
Stakeholder meetings (consultant)	\$8,183.40	20	\$163,668.00
Presentation materials (consultant)	\$5,000.00	8	\$40,000.00
CPUC Subgrants to CBOs and local & Tribal gov'ts	\$10,000.00	20	\$200,000.00
Total			\$413,668.00

The consultant has not been selected at the time of application. A request for proposals (RFP) will be posted to the State of California procurement website after California receives the award, and California will run a competitive review process in line with state procurement policies to award the contract. The proposed budget detail above is an estimate of hours per consultant type and will be adjusted later based on bids submitted to the CPUC. The procurement process is to obtain a minimum of three (3) quotes for the work. Then a panel of program and administrative staff (at least three [3] persons) will review the quotes and provide feedback on the project timeline, budget, and organizational capability of the organization to meet the needs listed in the RFP. The panel will summarize their findings and submit to the chief procurement officer for final review and selection. A copy of the procurement policy can be found on the **California State Administrative Manual** website at <https://www.dgs.ca.gov/Resources/SAM/TOC/1200/1200>.

Activity 4: Operating and increasing capacity of the CPUC Broadband Branch

- **Program and Project Supervisor – Salary \$306,048—2 years @ \$153,024 per year):** The Program and Project Supervisor (PPS) position will handle supervisory and project management duties for the BEAD planning activities. The position duties will include day-to-day project activities to oversee development of the 5-Year Action Plan, create and submit the Initial and Final Proposals, manage the contractor(s) and deliverables tied to each activity, and assist with hiring for a separate BEAD branch within the CPUC’s Communications Division. The Program and Project Supervisor will coordinate with stakeholders, host meetings with telecom partners, conduct data analysis on broadband deployment and digital inclusion metrics, interpret the data, and be responsible for overall program and project evaluation and success.

The PPS is a standard employment classification for the CPUC, which is described in more detail on the CalHR website at <https://www.calhr.ca.gov/state-hr-professionals/Pages/3504.aspx>. The period of funding aligns with a standard limited-term assignment to coincide with the various planning activities outlined in this IPF proposal and would be re-authorized based on a justification of business need prior to the end of the 2-year period. Funding for the re-authorization could be through BEAD administrative overhead, a budget change proposal through the state’s budget process, a combination of the two, or other means. The PPS will be fully funded (100%) through grant funds for a period of two years. This position is currently unstaffed, and upon receiving the grant award the CPUC will release an open position on the California website for individuals to submit applications.

- **Program and Project Supervisor – Fringe \$172,978—2 years @ \$86,489 per year):** The fringe benefit rate for CPUC employees is assessed against salaries and wages. The fringe benefit rate for this position is calculated at 56.55% of the salary. Fringe for this position includes OASDI, Health/Dental/Vision Insurance, Retirement, and Medicare. This is based on state policy, as described below.
- **Outreach Coordinator – Salary (\$176,592 —2 years @ \$88,296 per year):** The Outreach Coordinator position, Staff Services Manager I Specialist (SSM I) duties will include managing the public outreach activities (Activity 3); coordinating regularly with CDT; building relationships and strengthening existing partnerships with state, local, and regional stakeholders; developing communications and engagement materials; coordinating with subrecipients on any needed trainings and resources; and maintaining internal social media presence and messaging. The SSM I is a standard employment classification for the CPUC, which is described in more detail on the CalHR website at <https://www.calhr.ca.gov/state-hr-professionals/pages/4800.aspx>. The period of funding aligns with a standard limited-term assignment to coincide with the various planning activities outlined in this IPF proposal and would be re-authorized based on a justification of business need prior to the end of the 2-year period. Funding for the re-authorization could be through BEAD administrative overhead, a budget change proposal through the state’s budget process, a combination of the two, or other means. The SSM I will be fully funded (100%) through grant funds for a period of two years. The position is currently

unstaffed, and upon receiving the grant award the CPUC will release an open position on the California website for individuals to submit applications.

- Outreach Coordinator – Fringe** (\$99,810 —2 years @ \$49,905 per year): The fringe benefit rate for CPUC employees is assessed against salaries and wages. The fringe benefit rate for this position is calculated at 56.55% of the salary. Fringe for this position includes OASDI, Health/Dental/Vision Insurance, Retirement, and Medicare. This is based on state policy, as described below.
- Senior Analyst (PURA V) - Salary** (\$238,152—2 years @ \$119,076 per year): The Senior Analyst position, Public Utilities Regulatory Analyst V (PURA V) duties will include hiring new staff, as well as serving as the lead analyst for a forthcoming rulemaking that will define the rules and procedures for the BEAD subgrantee program. The PURA V is a standard employment classification for the CPUC, which is described in more detail on the CalHR website at <https://www.calhr.ca.gov/state-hr-professionals/Pages/4592.aspx>. The period of funding aligns with a standard limited-term assignment to coincide with the various planning activities outlined in this IPF proposal and would be re-authorized based on a justification of business need prior to the end of the 2-year period. Funding for the re-authorization could be through BEAD administrative overhead, a budget change proposal through the state’s budget process, a combination of the two, or other means. The PURA V will be fully funded (100%) through grant funds for a period of two years. The position is currently unstaffed, and due to the limited 1-year assignment, will be filled by a retired annuitant (R.A.). Upon receiving the grant award, the CPUC will solicit applications from an existing pool of eligible applicants.
- Senior Analyst (PURA V) - Fringe** (\$134,604—2 years @\$67,302 per year): The fringe benefit rate for CPUC employees is assessed against salaries and wages. The fringe benefit rate for this position is calculated at 56.55% of the salary. Fringe for this position includes OASDI, Health/Dental/Vision Insurance, Retirement, and Medicare. This is based on state policy, as described below.
- State policy on fringe benefits**
The calculation is based on the following formula, which totals 56.55%. For reference, BL = Budget Letter and SAM = State Administrative Manual.

Benefits Category	Citation	Rate
OASDI and Medicare	6.2% OASDI & 1.45% Medicare (IRS)	7.65%
Retirement	29.22% per 2021-22 Retirement Rate in BL 21-24 + Estimated 0.18% increase for 2022-23	29.40%
Health, Dental, Vision, Other.	15.18% (SAM 8740) + 4.32% increase starting 01/01/2021 (BL 20-36)	19.50%
	TOTAL	56.55%

Activity 6: Workforce Development Planning

- **Workforce Development Planning Contract** (\$200,000—1 12-month contract): Plan and coordinate meetings with ISPs, labor unions, and training providers to devise broadband-related job training and upskilling programs that target improving the lives of the eight covered populations identified in the Digital Equity Notice of Funding Opportunity. Align with CPUC’s existing policies and practices relating to Environmental Social Justice, Affordability, Climate Resiliency, and Tribal consultation. The budget is based on an estimate of tasks as follows:

Task	Unit Cost	Qty.	Subtotal
Preparation of meeting materials (agendas, presentations, meeting notes)	\$10,000.00	10	\$100,000.00
Stakeholder meetings	\$10,000.00	10	\$100,000.00
Total			\$200,000.00

- A consulting firm will be sought for the development of the Initial and Final Proposals. The consulting firm has not been selected at the time of this application. A request for proposals (RFP) will be posted to the State of California procurement website after California receives the award, and California will run a competitive review process in line with state procurement policies to award the contract. The proposed budget detail above is an estimate of hours per consultant type and will be adjusted later based on bids submitted to the CPUC. The procurement process is to obtain a minimum of three (3) quotes for the work. Then a panel of program and administrative staff (at least three [3] persons) will review the quotes and provide feedback on the project timeline, budget, and organizational capability of the organization to meet the needs listed in the RFP. The panel will summarize their findings and submit to the chief procurement officer for final review and selection. A copy of the procurement policy can be found on the **California State Administrative Manual** website at <https://www.dgs.ca.gov/Resources/SAM/TOC/1200/1200>. The anticipated contract amount will be inclusive of all other costs necessary to meet the goals of the contract.

Land, structures, rights-of-way, appraisals, etc. - \$0

There are no costs associated with land, structures, rights-of-way, appraisals, etc. as part of the project.

Relocation expenses and payments - \$0

There are no relocation expenses and payments as a part of the project.

Architectural and engineering fees - \$0

There are no architectural and engineering fees as a part of the project.

Other architectural and engineering fees - \$0

There are no other architectural and engineering fees as a part of the project.

Project inspection fees - \$0

There are no project inspection fees as a part of the project.

Site work - \$0

There is no site work as a part of the project.

Demolition and removal - \$0

There are no demolition and removal costs as a part of the project.

Construction - \$0

There are no construction costs as a part of the project.

Equipment - \$0

There are no equipment costs as a part of the project.

Miscellaneous - \$3,254,650

Activity	Description	Unit Type	Unit Cost	Number of Units	Total Cost
1	5-Year Action Plan	Fixed 5-month contract	\$1,250,000.00 per contract	1	\$1,250,000.00
2	Initial and Final Proposal	Fixed 6-month contract	\$1,430,000.00	1	\$1,430,000.00
5	Training and Education	Fixed 2-month contract	\$75,000.00	1	\$75,000.00

	Indirect cost subtotal	10% de minimis rate	\$499,650.00	1	\$499,650.00
	Total				\$3,254,650

Activity 1: Development of 5-Year Action Plan

5-Year Action Plan (\$1,250,000—5-month contract): A consulting firm will be sought for the development of the 5-Year Action Plan. The budget is based on an estimate of hours and hourly rates as follows:

Position	Hourly Rate	Hours	Subtotal	Weeks	Months
Senior Consultant	\$375.00	800	\$300,000.00	20.00	5.00
Federal Policy Consultant	\$490.00	400	\$196,000.00	10.00	2.50
Senior Economist	\$375.00	250	\$93,750.00	6.25	1.56
Senior Business Analyst	\$325.00	200	\$65,000.00	5.00	1.25
Senior GIS Analyst	\$325.00	400	\$130,000.00	10.00	2.50
Senior System Analyst	\$300.00	200	\$60,000.00	5.00	1.25
Project Manager	\$200.00	800	\$160,000.00	20.00	5.00
Business Analyst	\$200.00	220	\$44,000.00	5.50	1.38
Network Engineer / Cost Analyst	\$200.00	200	\$40,000.00	5.00	1.25
Programmer / GIS Analyst	\$150.00	405	\$60,750.00	10.13	2.53
Client Support	\$125.00	800	\$100,000.00	20.00	5.00
Total			\$1,249,500.00		

The consulting firm has not been selected at the time of this application. A request for proposals (RFP) will be posted to the State of California procurement website after California receives the award, and California will run a competitive review process in line with state procurement policies to award the contract. The proposed budget detail above is an estimate of hours per consultant type and will be adjusted later based on bids submitted to the CPUC. The procurement process is to obtain a minimum of three (3) quotes for the work. Then a panel of program and administrative staff (at least three [3] persons) will review the quotes and provide feedback on the project timeline, budget, and organizational capability of the organization to meet the needs listed in the RFP. The panel will summarize their findings and submit to the chief procurement officer for final review and selection. A copy of the procurement policy can be found on the **California State Administrative Manual** website at <https://www.dgs.ca.gov/Resources/SAM/TOC/1200/1200> . The anticipated contract amount is \$1,250,000\$and will be inclusive of all other costs necessary to meet the goals of the contract.

Activity 2: Development of Initial and Final Proposals

Initial and Final Proposals (\$1,430,000—6-month contract): A consulting firm will be sought for the development of the Initial and Final Proposals. The budget is based on an estimate of hours and hourly rates as follows:

Position	Hourly Rate	Hours	Subtotal	Weeks	Months
Senior Consultant	\$375.00	960	\$360,000.00	24.00	6.00
Federal Policy Consultant	\$490.00	400	\$196,000.00	10.00	1.25
Senior Economist	\$375.00	390	\$146,250.00	9.75	2.41
Senior Business Analyst	\$325.00	0	\$0.00	0.00	0.00
Senior GIS Analyst	\$325.00	600	\$195,000.00	15.00	3.75
Senior System Analyst	\$300.00	0	\$0.00	0.00	0.00
Project Manager	\$200.00	960	\$192,000.00	24.00	6.00
Business Analyst	\$200.00	0	\$0.00	0.00	0.00
Network Engineer / Cost Analyst	\$200.00	500	\$100,000.00	12.50	3.13
Programmer / GIS Analyst	\$150.00	800	\$120,000.00	20.00	5.00
Client Support	\$125.00	960	\$120,000.00	24.00	6.00
			\$1,429,250.00		
Total			0		

The consulting firm has not been selected at the time of this application. A request for proposals (RFP) will be posted to the State of California procurement website after California receives the award, and California will run a competitive review process in line with state procurement policies to award the contract. The proposed budget detail above is an estimate of hours per consultant type and will be adjusted later based on bids submitted to the CPUC. The procurement process is to obtain a minimum of three (3) quotes for the work. Then a panel of program and administrative staff (at least three [3] persons) will review the quotes and provide feedback on the project timeline, budget, and organizational capability of the organization to meet the needs listed in the RFP. The panel will summarize their findings and submit to the chief procurement officer for final review and selection. A copy of the procurement policy can be found on the **California State Administrative Manual** website at <https://www.dgs.ca.gov/Resources/SAM/TOC/1200/1200>. The anticipated contract amount is \$1,430,000- and will be inclusive of all other costs necessary to meet the goals of the contract.

Activity 5: Training and education for employees of the broadband program and related staffing capacity or consulting or contracted support to effectuate the goals of the BEAD program.

Training and Education (\$75,000—1 2-month contract): Provides funding for the purposes of training all employees at the broadband office in program management areas necessary for the successful

implementation and oversight of the BEAD program. This includes details on how BEAD relates to other broadband program rules, application processes, and creation of presentation materials for staff to deliver at technical workshops, Commission meetings, and legislative hearings. Educate and promote new broadband deployment models in the context of the state’s cost model to catalyze last-mile projects in perennially unserved communities. The budget is based on an estimate of tasks as follows:

Activity 5 - Training and Education Contract			Budget: \$75,000.00
Task	Unit Cost	Qty.	Subtotal
Training materials	\$5,000.00	5	\$25,000.00
CPUC internal training sessions	\$5,000.00	5	\$25,000.00
Presentations to outside parties (stakeholders, legislators)	\$5,000.00	5	\$25,000.00
Total			\$75,000.00

The consulting firm has not been selected at the time of this application. A request for proposals (RFP) will be posted to the State of California procurement website after California receives the award, and California will run a competitive review process in line with state procurement policies to award the contract. The proposed budget detail above is an estimate of hours per consultant type and will be adjusted later based on bids submitted to the CPUC. The procurement process is to obtain a minimum of three (3) quotes for the work. Then a panel of program and administrative staff (at least three [3] persons) will review the quotes and provide feedback on the project timeline, budget, and organizational capability of the organization to meet the needs listed in the RFP. The panel will summarize their findings and submit to the chief procurement officer for final review and selection. A copy of the procurement policy can be found on the **California State Administrative Manual** website at <https://www.dgs.ca.gov/Resources/SAM/TOC/1200/1200>. The anticipated contract amount is \$75,000 and will be inclusive of all other costs necessary to meet the goals of the contract.

Indirect cost subtotal (de minimis rate)

The California Public Utilities Commission states explicitly that it is adopting the “10% de minimis” approach to indirect cost assessment for federal grant funding in this application. This approach is compliant with paragraph D.1.b of Appendix VII to 2 CFR Part 200. Our use of this approach is further based on the State of California’s election to adopt this methodology under its Statewide Cost Allocation Plan (SWCAP). The “10% de minimis” method renders an indirect cost subtotal total of **\$499,650** for this application. The subtotal is a component of the budget’s *Section 11. Miscellaneous* line items and is titled *Indirect cost (10% de minimis rate)*.

All costs in this application are covered by the Modified Total Direct Cost (MTDC) terms and conditions of 2 CFR 200.68, with the exception of \$200,00 for 10 outreach subawards each budgeted for \$20,000, and slated for community-based and local, and Tribal entities. Since the \$20,000 subawards fall below the \$25,000 maximum, each of these grants can have the full 10% de minimis applied. These subawards are described in *Activity 3. Public and Stakeholder Outreach*.

Contingencies - \$0

Contingencies are not allowable as part of the project.

Project (program) income - \$0

There is no project (program) income as a part of the project.