

State of North Dakota **Performance Report**

Capital Projects Fund 2025 Report

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Executive Summary

In the 2025 reporting period (July 2024 – June 2025), North Dakota’s Capital Project Fund (CPF) broadband program continued to make steady progress in closing the state’s remaining connectivity gaps. Subgrantees advanced construction and customer installations in rural and underserved households, with work targeting some of the most remote and technically challenging locations.

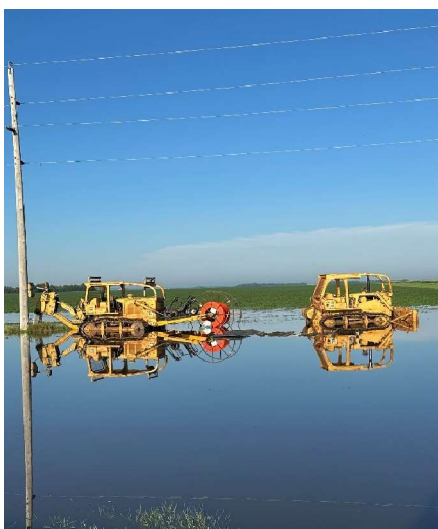
Across all CPF projects active during the reporting period, the program is set to address 2,165 locations. Looking ahead, in the 2026 reporting period, North Dakota will also utilize funds remaining from projects completed under budget to support the CPF ExteND Line Extension Program, which will connect an additional 128 locations. When those projects are complete, only 301 underserved or underserved locations will remain statewide; plans are underway to address those final remaining locations through complementary efforts from the state’s BEAD program.

Highlights from the CPF reporting period include:

- **Nemont** completed its East Westby project, connecting 45 locations on time and under budget.
- **West River** completed fiber construction and installations ahead of schedule and under budget, serving 49 locations (of which 41 have active subscribers).
- **Halstad** has connected 123 locations at 1Gbps symmetrical speeds to-date, and is on track to serve 100% of locations in the project area by the program deadline.
- **Red River** completed all 108 miles of mainline fiber for the project and 25 miles of drop cable to 261 locations, connecting 253 customers.
- **NCC** is making steady progress against its Williston project, preparing to serve 365 locations.
- **Polar** progressed on all three of its projects, turning up service to dozens of locations across Walsh, Grand Forks, Traill, and Steele Counties.
- **MLGC’s** Steele County project is in its engineering and preparation stage, and is working to secure necessary permits / easements to begin buildout.



(Above) MLGC equipment and two trailers submerged southwest of Casselton, ND, after heavy rains.



- **MLGC** experienced significant weather-related delays in Cass County, where persistent summer rainfall led to flooded fields and equipment challenges. These conditions required temporary suspension of operations and adjustments to construction methods. Despite setbacks, work remains on track to reach completion by late 2025.



(Above) MLGC rented trencher idle due to water-filled ditches, preventing duct installation near Lynchburg, ND.

Through the CPF program, North Dakota continues to move closer to its goal of bringing high-quality fiber service to every location across the state.

Uses of Funds

In 2025, broadband infrastructure projects across North Dakota utilized Capital Projects Funds to advance construction, engineering, and customer installations. Providers reported steady progress, with some completing major milestones and others continuing development. Funding was generally allocated across material procurement, network development, and customer activation. Challenges such as weather delays and supply chain issues were noted for several projects but were mitigated. Overall, projects indicated effective use of funds to expand broadband access in rural and underserved areas.

- **West River** expended about \$2.46M, placing ~124 miles of fiber and connecting 41 subscribers. Construction concluded in 2024, at \$2.1M under budget.
- **Halstad** spent approximately \$745,300 to-date on engineering, construction, materials, and installations.
- **MLGC** allocated ~\$2.04M in funds to its Cass County effort (evenly split between CPF grant and match dollars) for material procurement and network development, and is on track to conclude work in December.
- **NCC's** purchase of the East Westby exchange was concluded in February 2025, with build and installations completed by Nemont prior to acquisition. Funds were used for material procurement, construction, splicing & testing, as well as cutovers.

- **NCC** began procurement and engineering for its Williston project, with construction scheduled for October 2025. Funds were used for material procurement, engineering and design, and pre-construction preparation.
- **Polar** projects in Walsh, Grand Forks, Traill, and Steele Counties reported construction progress and customer activations, as broken out below.
 - Walsh County: 75 locations have been built out, with construction ongoing; service has been activated for 29 completed locations.
 - Grand Forks County: 53 locations have concluded construction, with 17 now receiving service.
 - Traill and Steele Counties: A total of 252 locations have been built out, with service activated for 91 locations.
- **Red River** completed all construction and connected 253 customers, overcoming material shortages and weather delays.

Overall, CPF funding in 2025 enabled providers to expand service coverage, improve connectivity, and move closer to closing the remaining connectivity gap. These investments continue to support North Dakota’s broadband deployment priorities, with projects steadily bringing high-quality fiber service to the last unserved and underserved households and businesses.

Addressing Critical Needs

North Dakota’s CPF broadband projects continue to focus on addressing critical needs in rural and underserved communities by closing remaining access gaps, advancing universal levels of service, and building infrastructure designed for long-term reliability. These projects directly support the program’s objectives to deliver service that reliably meets or exceeds symmetrical speeds of 100 Mbps and provide future-proof infrastructure that enables sustainable connectivity for households, businesses, and community facilities.

Efforts emphasized expanding access to high-speed internet while also improving affordability and ensuring that residents and businesses were aware of available services. Providers implemented tailored service plans, direct communications, community meetings, and location-based engagement strategies. These measures improved awareness and accessibility, particularly for remote and rural areas.

- **Red River** focused on affordability for low-income families, offering Lifeline assistance and consistent communications to all residents and businesses. As it is building out in a heavily agricultural, farm-based region, this project will enable greater operational efficiency and reduced costs, as well as expanded access to the broader employment market through remote work.
- **MLGC’s** Cass County project targeted rural, unserved, and underserved communities, conducted outreach campaigns, and offered a low-income broadband plan. Buildout included individual locations, as well as a drop to a 25,000 sq ft agricultural innovation center. The project has brought speeds of up to 5 Gbps to unserved / underserved locations.
- **Nemont’s** East Westby project has brought affordably priced, reliable service to an extremely rural, sparsely populated community and concluded in February 2025.

- **NCC's** Williston project will deliver fiber service to semi-rural and extremely rural areas, which will be further supported by their upcoming line extension project, to be funded in the next reporting period through North Dakota's CPF ExtEND program.
- **Polar** committed to serving unserved and underserved rural communities with up to 5 Gigabit symmetrical speeds. Their projects are supporting delivery of career and technical education and training across four counties.

Overall, outcomes in 2025 demonstrated that CPF investments are not only expanding coverage but also strengthening affordability, education, workforce opportunities, and regional development. Provider data confirms meaningful progress toward addressing critical needs, with measurable community benefits emerging as new service locations come online.

Labor

Labor practices across the CPF broadband projects emphasized quality, local hiring, and professional partnerships to deliver broadband to communities with need. Providers employed a mix of licensed contractors, in-house labor forces, and engineering firms to execute construction and installations, with a commitment to equal opportunity and community-focused workplaces. Collaborations with skilled labor contractors enabled high standards and efficient project delivery. Overall, providers reported responsible labor practices aligned with CPF objectives and an emphasis on local labor.

- **Halstad** employed licensed and bonded contractors to complete construction activities.
- **MLGC** used a mix of in-house labor and external engineering partners, including Communication Network Engineering, to advance its builds.
- **Nemont** used Push, Inc. for construction and their internal labor team for cutover for its East Westby project
- **NCC** partnered with MPNexlevel for construction, with design work done by Finley Engineering and NCC Engineering.
- **Polar** utilized Communication Network Engineering and MasTec North America, Inc. as contractors.
- **Red River** hired Ripley's Inc., a local contractor, to support its efforts.

Labor practices across funded projects have supported local employment and high-quality execution. Providers leveraged local talent where possible, professional partnerships, and inclusive policies to meet project demands. Construction and engineering activities were carried out with attention to safety, quality, and efficiency. The practices highlight the value of skilled labor and responsible workforce management and contribute to the overall success and sustainability of the State's broadband initiatives.

Community Engagement

Providers utilized diverse outreach strategies across the State's CPF projects. Efforts included direct communications, informational meetings, social media campaigns, and personalized customer interactions. Providers worked with local governments, property owners, and community organizations to facilitate project awareness and participation. Marketing plans and educational programs supported

service adoption and digital literacy. These initiatives helped build trust, inform stakeholders, and promote successful broadband deployment. Below is a high-level overview of some of the specific efforts undertaken by providers over the past year:

- **Halstad** engaged with local governments, homeowners' associations, and direct engagement with customers, providing a mix of direct marketing and connection support. As the project area is largely rural, direct engagement is a key aspect of community engagement efforts.
- **MLGC** sent letters with rate sheets and project timelines to locations in its project area.
- **NCC** kept customers informed throughout the process using a mix of social media, letters, emails, phone calls, and website updates. Efforts have specifically been focused on making direct contact with owners or residents to communicate project information.
- **Polar** held on-site community meetings for each project to educate potential customers on services and installation at community centers.
- **Red River** executed a comprehensive marketing plan with multi-channel outreach, educational programs, and community events aligned to construction timeline, via email and postcard correspondence. Specifically, they leveraged a four-phase approach to exhaustively cover communication for their project: Announcement, Early Activation, Launch Activation, and Post-Sign Up/New Customer Campaign.
- **West River** sent welcome, update, and kickoff letters at various project stages to keep residents informed.

Community engagement efforts across the projects fostered awareness, participation, and support for the program. Providers utilized multi-channel outreach to connect with residents, businesses, and stakeholders. Educational programs and marketing campaigns enhanced understanding and service adoption for communities receiving service. As projects complete and residents sign up for service, providers have updated the North Dakota SBO as appropriate.