



Board of County Commissioners Agenda Request

5A

Agenda Item #

Requested Meeting Date: July 25, 2017

Title of Item: Approve Aitkin County Broadband Grants

<input checked="" type="checkbox"/> REGULAR AGENDA <input type="checkbox"/> CONSENT AGENDA <input type="checkbox"/> INFORMATION ONLY	Action Requested: <input checked="" type="checkbox"/> Approve/Deny Motion <input type="checkbox"/> Adopt Resolution (attach draft)	<input type="checkbox"/> Direction Requested <input type="checkbox"/> Discussion Item <input type="checkbox"/> Hold Public Hearing* <small>*provide copy of hearing notice that was published</small>
Submitted by: Ross Wagner		Department: Economic Development & Forest Ind
Presenter (Name and Title): Ross Wagner, Economic Development & Forest Industry Coordinator		Estimated Time Needed: 20 Minutes
Summary of Issue: <p>Aitkin County has received 4 applications for the Aitkin County Broadband Grant program, applications are attached. A total of \$541,266 was requested with \$150,000 available, all meet the requirement of the grant, requests are;</p> <ul style="list-style-type: none"> - Frontier Communications, extend CAF2 infrastructure to the Round/Waukenabo Lake area, \$150,000. - Mille Lacs Energy Cooperative/Consolidated Telecommunications Co, provide Fiber to the Premise (FTTP) in Pine/Farm Island Lake areas, \$150,000. - SCI Broadband, provide FTTP to Bridge Road area on Big Sandy Lake, \$129,224. - SCI Broadband, provide FTTP to North Mille Lacs Lake along Hwy 18, \$112,042. <p>After much deliberation, the Economic Development Committee agreed to select a top rated application and a second rated one. It was agreed that the top rated application would be offered a \$100,000 grant and a \$50,000 grant for the second one, with the option to scale back on the service area due not being offered a full \$150,000. Top rated was the SCI Broadband application for the Bridge Road, second was the MLEC/CTC Pine/Farm Island Lake area. It was felt that in both cases these areas provided the best opportunity for broadband adoption, working from the home and extended stays which all will benefit Aitkin County.</p> <p>SCI has agreed to move forward with their full project with a \$100,000 grant and MLEC/CTC will also move forward with a \$50,000 grant but will reduce the area served. Both companies must at least match the grant award.</p> <p>It is exciting to recommend these projects, I continue to hear, almost daily, from folks outside one the larger cities how great the need is for better broadband in Aitkin County. Realtors continue to lose prospective sales as well. These projects will not solve all of our problems but will enhance progress that is already being made.</p>		
Alternatives, Options, Effects on Others/Comments: 		
Recommended Action/Motion: Approve grant recommendations of Economic Development Committee		
Financial Impact: Is there a cost associated with this request? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No What is the total cost, with tax and shipping? \$ 150,000.00 Is this budgeted? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>Please Explain:</i> Previous board action set aside \$450,000.00 from Economic Development Fund for this purpose.		

Legally binding agreements must have County Attorney approval prior to submission.

Aitkin County Broadband
Development Grant
Proposal



Aitkin County Broadband Development Grant

Overview: It is our intent to partner with existing internet service providers to provide high speed internet access to as much area in Aitkin County as possible. The purpose of this grant fund is to incentivize private investment in the Aitkin County broadband infrastructure.

Purpose: Aitkin County is striving to have as many of our citizens, businesses and institutions to have access to high speed broadband internet. Currently, areas of Aitkin County are experiencing growth in the broadband infrastructure; the purpose of this grant to assist private broadband providers to reach areas in Aitkin County that otherwise would not be part of planned broadband infrastructure investments.

Availability of Funds, required match:

Aitkin County is providing \$150,000.00 per year in funding for the Aitkin County Broadband Development Grant for the years 2017, 2018, 2019. Applicants can apply for all or some of the total amount available. Aitkin County reserves the right to not award any grants and or to offer a pro-rated amount if more than one qualified application is received. Applicants must provide, at a minimum, a match equal to or greater than the grant amount requested.

Criteria of Aitkin County Broadband Development Grant:

The goal of this grant program is to fund those projects that will provide internet access at the State of Minnesota established speeds of 10Mbps down and 5Mbps upload. Aitkin County will consider projects that do not immediately meet those guidelines but demonstrate they will be scalable to meet those speeds in the future. A Fiber to the Home (FTTH) network is most desired by Aitkin County; projects that are not FTTH but can meet the guidelines will be eligible. Applications that demonstrate the ability to meet the State of Minnesota guidelines of 10Mbps down and 5Mbps up, ability to provide service to the largest number of households and offer the ability to be scalable up to even higher speeds will receive the most consideration in the awarding of grant funds. Any broadband development project located in Aitkin County is eligible for the Aitkin County Broadband Development Grant. However, most consideration will be given to those projects that provide service to areas of Aitkin County that either do not have adequate coverage nor will not have adequate coverage in the near future.

Eligible Program Costs:

Aitkin County Broadband Development Grant Program can be used for infrastructure deployment costs for a qualifying project. "Broadband deployment costs" or "costs" mean the cost of the acquisition and installation of middle-mile and last-mile infrastructure that support broadband service.

Construction of broadband infrastructure may include any of the following: project planning; obtaining construction permits; construction of facilities, including construction of both "middle mile" and "last mile" infrastructure; equipment; and installation and testing of the broadband service. All costs must occur after the awarding of this grant to be eligible, no reimbursements will be allowed.

Leverage of State of Minnesota or other broadband funding sources:

Aitkin County Broadband Grants funds can be used to match State, Federal or other public or private funding as those funding sources allow. Though it is our desire that additional funds be leveraged by this grant, it is not a requirement to receive Aitkin County Broadband Grant funds.

Application Process:

Applications are available through the Aitkin County Economic Development & Forest Industry Coordinator Department, c/o

Ross Wagner

Aitkin County Courthouse

217 2nd Street NW, #131

Aitkin, MN 56431

rwagner@co.aitkin.mn.us

218-927-7305

Please direct any questions or inquiries to Ross Wagner

Due Date:

Applications with all attachments are accepted annually on or before 4:00 PM May 31st and must be submitted to the address above or emailed with attachments to rwagner@co.aitkin.mn.us

Technical Review Committee:

All completed applications will be reviewed by the Technical Review Committee. The Technical Review Committee will then make recommendations on funding to the Aitkin County Board. It is anticipated that recommendations will be made at the first regular board meeting in July. The Aitkin County Board will have final say in any funding decisions. Furthermore, Aitkin County reserves the right to refuse, reject or deny any and or all applications.

Aitkin County Broadband Development Grant Application Form

Project Title: Frontier Communications Aitkin County Broadband Deployment

Name of Applicant Organization: Citizens Telecommunications Company of Minnesota, LLC. (d/b/a Frontier Communications)

Applicant Primary Contact Person: Tony McCleary

Applicant Address: 14550 Burnhaven Dr

City: Burnsville Zip Code: 55306

Telephone Number: (952) 435-1301 Email Address: tony.mccleary@ftr.com

Authorized Signature: _____

By signing this application on behalf of the above organization I am agreeing that I have the authority to do so and that all information contained in this application is true and accurate.

Description of your project, area to be covered, speeds that will be obtained now and in the future:
Frontier's network planning calls for the placement of DSLAMs at strategic locations across the project area. These DSLAMs will be connected back to our central offices via fiber optic cable facilities, generally 48 strand fiber optic cable. The central offices, in turn, are connected to Frontier's internet backbone of fiber optic facilities. This approach allows Frontier to push fiber deeper into our network and set the stage for upgrades in future years, beyond this initiative. The DSLAMs will be a combination of Calix Equipment (E3-48 and ODC-100 cabinets). From the DSLAMs, copper facilities will be used to connect the served households to the DSLAM. The speed available to any particular household will be largely determined by the length of the copper facilities, with faster speeds being available to households closer to the DSLAM. Under Frontier's project plan, no household will be more than 10,000 feet from a DSLAM, which will allow for the provision of speeds of 10Meg download and 1 Meg upload. Service at 25Meg download and 3Meg upload speed will be available for households that are within 4,000 feet of a DSLAM. Households nearer than 4,000 feet should be able to receive even higher speeds.

Please see exhibit A for location details and HH counts by speed level.

Description of need, why are Aitkin County funds necessary to complete this project:

Frontier's Aitkin County project is primarily designed to address increase availability and speeds in and nearby the FCC's CAF II funded areas. The additional funding from the County will support higher speeds to CAF II eligible census blocks than required under the CAF II program and will provide construction and expansion of broadband service beyond locations funded by CAF II.

Provide information on any activities planned to actively promote the adoption of broadband services in the project area when the services become available: Include a description on any marketing and training programs on broadband applications for residents, businesses and institutions in the areas served by the project.

As sites are built, cutover and released for sale Frontier will put forth a plan to use door hangers and direct mailings to qualifying residents of Aitkin County. Frontier will also attend county and city meetings as needed to answer questions.

Grant request amount: How much funding are you seeking from the Aitkin County Broadband Development Grant Program for this project? How much are you committing?

Total cost of project: \$ 2,183,203

Local/Provider match provided: \$ 2,033,203

County Funds Applied for: \$ 150,000.00

Other Funds applied for or anticipating to apply for: \$ 0

What is the source of these funds: N/A

General Time Frame of Grant Project:

Starting Month 6/ 2017 Year Ending Month 12/ 2017 Year

Location(s) of your project:

In addition to the written location information supplied above, you must provide a map of the project area, including geographical boundaries and road segments where broadband will be provided. Include the service area boundaries and also include place names, boundaries, buildings, road/street names, street addresses, or other features that clearly identify the project coverage area. Please be clear and concise and add any other information you feel is pertinent.

Total number of eligible properties to be served:

Provide information on what properties will be eligible for broadband under this project. Include what broadband speeds will be available to that property and what if any options for scalability there is. This can be provided on the map requirement above or on a separate map. Information that needs to be provided;

- Number of and location of properties that will be able to receive service of at least 10Mbps down and 5Mbps upload as a result of this broadband development grant project.
- Number of and location of properties that will be receiving less than 10Mbps down and 5Mbps upload but will be scalable to meet those speeds in the near future.
- Number of locations that will be receiving less than 10Mbps down and 5Mbps upload now and into the future.
- What is your estimated time table to meet 10Mbps down and 5Mbps upload for those properties not meeting those speeds.
- Provide a three-year work plan as it relates to your planned work in Aitkin County, it is our intention to not duplicate services in the same area.

Project Costs, attach a list or schedule of all project elements including materials, equipment, design services, etc. to be purchased for the project. This will be used to determine the applicants match for this grant request.

Attachments: Please attach any additional information or use attachments for the application questions. Label each attachment for the question you are intending to provide information on.

Exhibit "A" – 2017 Build Plan – Locations and HH's

Site CLL	Address	City	County	HH's that will qualify for 10/1	HH's that will qualify for 25/3	OSP Project #	Engineered Fiber Footage	Engineered Copper Footage	ISP	Project #	New Site / Retrofit	Equipment	Combo / Overlay	Total Direct Capital	Estimated Release For Sale Date
MALMMNXM	2200TH ST & 322ND PL	MALMO	AITKIN	29	1					2396404	CO	7100/ 5150/ C7 VGVW	AGG	\$35,348.00	NA
MALMMNXM-001	STATE HIGHWAY 18	MALMO	AITKIN	122	90	2398760	9,000		180	2402795	New Site	ODC-100	Overlay	\$145,314.07	10/30/2017
MALMMNXM-002	STATE HIGHWAY 47 & 250TH LN	MALMO	AITKIN	16	9	2402388	9,000		50	2402791	New Site	E3-48	Overlay	\$84,048.00	10/30/2017
MALMMNXM-003	270TH ST & 310TH AVE	MALMO	AITKIN	95	46	2402389	6,000		100	2402798	New Site	ODC-100	Combo	\$56,403.41	10/30/2017
MALMMNXM-005	STATE HWY 47 & 292ND ST	MALMO	AITKIN	86	72	2402390	0		100	2402793	New Site	E3-48	Overlay	\$30,146.72	10/30/2017
MALMMNXM005(AE)	STATE HWY 47 & 308 ST	MALMO	AITKIN	82	14	2402394	0	6,200		2402797	Existing site - New Cab	ODC-100	Combo	\$93,310.47	10/30/2017
MALMMN013(AE)	STATE HWY 47 & 235TH LN	MALMO	AITKIN	49	25					2403805	Existing site - New Cab	ODC-100	Combo	\$16,415.81	10/30/2017
MALMMN016(XG)	STATE HWY 47 & 280TH ST (DEER ST)	MALMO	AITKIN	153	107	2402396	17,000	3,800		2402799	Existing site - New Cab	ODC-100	Combo	\$190,195.08	10/30/2017
GTWYMN 001	179TH AVE & LARCH AVE	MCGREGOR	AITKIN	58	41	2402439	1,300	1,350		2402513	New Site	ODC-100	Overlay	\$52,511.75	9/30/2017
GTWYMN XG	LAKE AVE	MCGREGOR	AITKIN	NA	NA					2402842	CO	5150	AGG	\$36,655.49	9/30/2017
GTWYMN XH	NORTH OF STATE HWY 65 & 512TH LN	MCGREGOR	AITKIN	33	24					2402503	Retrofit	E7-2	Overlay	\$13,728.67	9/30/2017
GTWYMN XI	LAKE AVE, NORTH OF 181ST PL	MCGREGOR	AITKIN	150	72					2402500	Retrofit	E7-2	Overlay	\$26,394.88	9/30/2017
GTWYMN 008	531ST LN & 223RD PL	MCGREGOR	AITKIN	84	66	2402440	0		100	2402502	New Site	E3-48	Overlay	\$30,224.87	9/30/2017
GTWYMN AH	487TH ST	MCGREGOR	AITKIN	151	130	2392570	0	1,450		2402501	Retrofit	E7-2	Overlay	\$38,878.17	9/30/2017
GTWYMN 016	LILY AVE & 170TH PL	MCGREGOR	AITKIN	44	23	2399446	0		175	2402497	New Site	E3-48	Overlay	\$31,018.33	9/30/2017
GTWYMN 017	LOON AVE & 527TH LN	MCGREGOR	AITKIN	88	63	2402447	9,400		180	2402498	New Site	ODC-100	Overlay	\$89,392.15	9/30/2017
GTWYMN 032	KESTREL AVE & 480TH ST	MCGREGOR	AITKIN	18	9					2402496	Existing site - New device	E3-48C	Combo	\$26,452.65	9/30/2017
GTWYMN 041	532ND LN & 195TH PL	MCGREGOR	AITKIN	17	14	2402469	2,950		100	2402504	New Site	E3-48	Overlay	\$36,446.95	9/30/2017
KMBRMN 008	NUTTHATCH RD & 308TH PL	Kimberly	AITKIN	50	36	2402384	0	350		2402783	New Site	E3-48	Overlay	\$31,520.05	9/30/2017
KMBRMN 004	NUTTHATCH RD & 315TH PL	Kimberly	AITKIN	24	13	2399438	0	350		2402785	New Site	E3-48	Overlay	\$31,520.05	9/30/2017
KMBRMN 005	NATURE AVE & 350TH LN	Kimberly	AITKIN	46	18	2401828				2402786	New Site	E3-48	Combo	\$21,427.00	9/30/2017
KMBRMN 006	NATURE AVE & 370TH ST	Kimberly	AITKIN	31	7	2401828				2402786	New Site	E3-48	Combo	\$17,500.00	9/30/2017
KMBRMNXK	302ND PL & NATURE AVE	Kimberly	AITKIN	NA	NA					2402834	CO	BTI / 5150	AGG	\$31,682.62	NA
MCGRMNXM-005	MN 210 & 240 PL (E BASS LAKE RD)	MCGREGOR	AITKIN	53	13	2392030	0	4,850		2402926	New Site	E3-48	Overlay	\$56,355.15	10/10/2017
MCGRMNAN	255TH PL (ROCK LAKE RD) & ST HWY 210	MCGREGOR	AITKIN	44	10	2392036	400	3,800		2402929	Existing site - New device	E3-48	Overlay	\$59,309.42	10/10/2017
MCGRMNXM-009	MN 210 & 275TH AVE	AITKIN	AITKIN	24	16	2392041	400	0		2398672	New Site	E3-48C	Combo	\$36,822.04	10/30/2017
MCGRMNXM-011	MN 210 & 290TH PL	AITKIN	AITKIN	36	14	2392043	0	200		2398675	New Site	E3-48C	Combo	\$31,912.04	10/30/2017
MCGRMNAD	CO RD 3 & 430TH LN	PALISADE	AITKIN	160	40	2392046	13,500	3,800		2402935	Retrofit	E7-2	Combo	\$90,047.32	10/30/2017
MCGRMNAM	360TH ST & CO RD 27	MCGREGOR	AITKIN	74	49	2402467	950	8,000		2398650	Existing site - New Cab	ODC-100	Combo	\$72,348.03	10/30/2017
MCGRMN XN	N MAIN ST (TAMARACK)	MCGREGOR	AITKIN	54	43					2402454	Retrofit	E7-2	Overlay	\$10,180.73	7/30/2017
MCGRMN 038	CO RD 5 & 439TH LN	MCGREGOR	AITKIN	31	23	2402464	400	200		2402944	New Site	E3-48C	Combo	\$28,739.35	10/30/2017
MGRTMNAD	BIRCH ST & MN 65	MCGRATH	AITKIN	53	16	2403023	0	40		2405527	Existing site - New Cab	ODC-100	Combo	\$43,450.80	10/30/2017
MGRTMN008	MN 18, WEST OF 200TH PL	MCGRATH	AITKIN	36	6	2403025	0	4,440		2405531	New Site	E3-48C	Combo	\$49,155.16	10/30/2017
MGRTMNAE	ST HWY 18 & 180TH AVE	MCGRATH	AITKIN	92	16	2403024	0	13,210		2405529	Existing site - New Cab	ODC-100	Combo	\$83,365.47	10/30/2017
MGRTMNXM	ST HWY 65 & MCGRATH	MCGRATH	AITKIN	46	25					2405517	CO	E7-2	Overlay	\$20,074.48	9/30/2017
PLSDMNXP	35649 GROVE ST	PALISADE	AITKIN	101	77					2405458	CO	5150	AGG	\$28,933.00	NA
PLSDMNXP	35649 GROVE ST	PALISADE	AITKIN	NA	NA					2403670	CO	E7-2	Overlay	\$25,439.00	7/30/2017
PLSDMNXP-004	480TH ST & GROUSE ST	PALISADE	AITKIN	49	29	2403194	0	2,540		2405466	New Site	E3-48	Overlay	\$33,543.85	8/30/2017
PLSDMNXP-005	480TH ST & 260TH AVE	MCGREGOR	AITKIN	22	14	2403195	0	200		2405469	New Site	E3-48C	Combo	\$31,528.01	9/30/2017
PLSDMNXP-020	490TH LN W/O 359 PL	PALISADE	AITKIN	10	19	2403196	2,300	2,580		2405474	New Site	E3-48C	Combo	\$44,848.02	9/30/2017
PLSDMNXP-021	US 169 & 500 LN	PALISADE	AITKIN	89	52	2404882	13,000	365		2405476	New Site	ODC-100	Combo	\$110,243.62	9/30/2017
PLSDMNXP-025	485TH LN & 377 PL	PALISADE	AITKIN	123	64	2404883	1,650	180		2405475	New Site	ODC-100	Combo	\$59,726.88	9/30/2017
PLSDMNXP-015	480TH ST & 320TH PL	PALISADE	AITKIN	27	7	2403192	450	40		2405472	New Site	E3-48	Overlay	\$29,889.00	8/30/2017
PLSDMNXD	HWY 169 & CO RD 3	PALISADE	AITKIN	44	23					2405465	Retrofit	E7-2	Overlay	\$23,025.00	7/30/2017
Totals				2631	1430		87,900	58,910						\$2,183,202.62	

Exhibit "B"

Future Year sites under Review

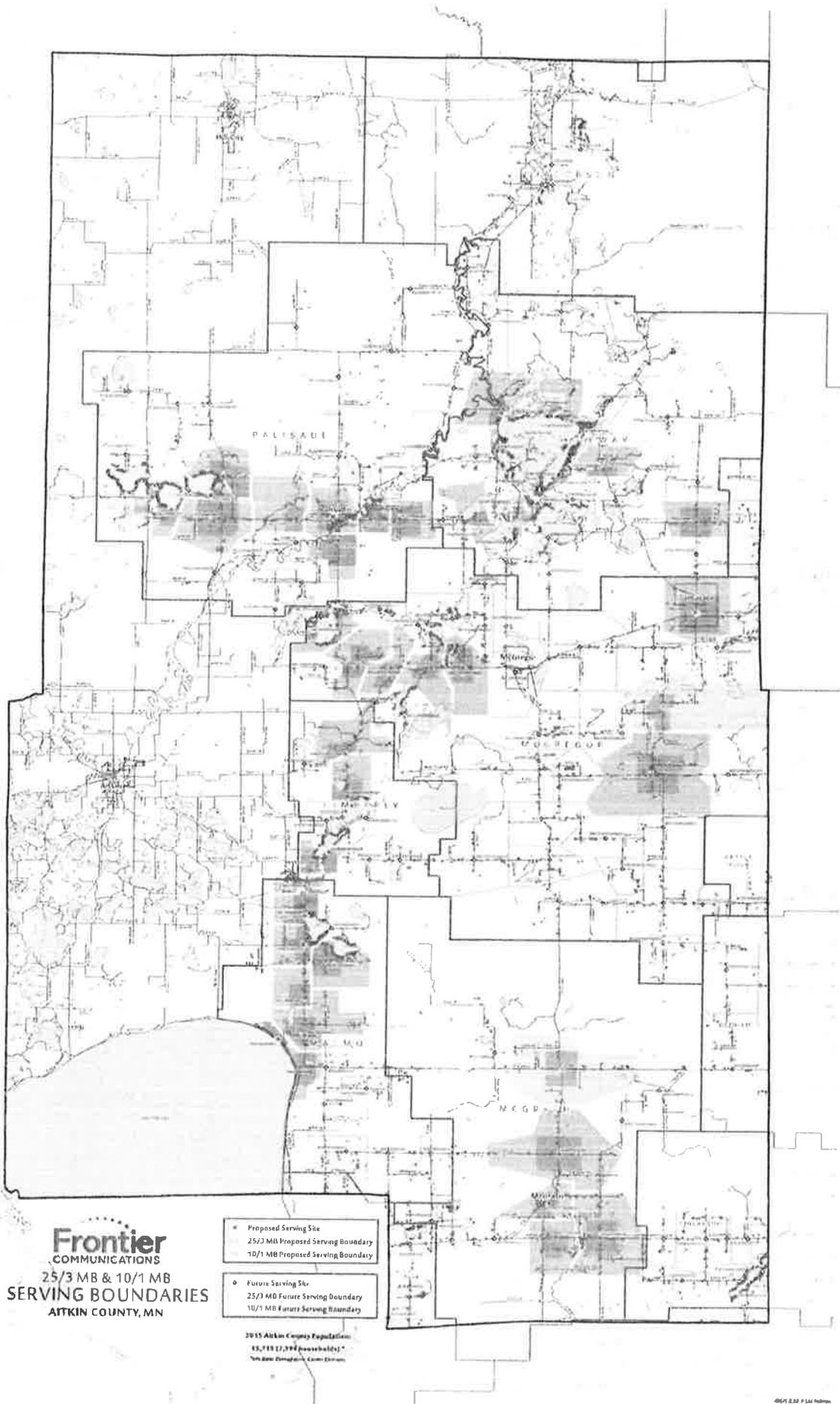
Exchange	Site Name	Site CLLI	HH's (10K FT)	HH's (4K FT)
Palisade	SITE 001	PLSDMN 001	14	11
Palisade	SITE 002	PLSDMN 002	33	18
Palisade	SITE 003	PLSDMN 003	11	2
Palisade	SITE 006	PLSDMN 006	25	2
Palisade	SITE 007	PLSDMN 007	5	2
Palisade	SITE 008	PLSDMN 008	4	0
Palisade	SITE 009	PLSDMN 009	17	6
Palisade	SITE 010	PLSDMN 010	18	5
Palisade	SITE 011	PLSDMN 011	6	5
Palisade	SITE 012	PLSDMN 012	2	0
Palisade	SITE 013	PLSDMN 013	8	1
Palisade	SITE 014	PLSDMN 014	0	0
Palisade	SITE 016	PLSDMN 016	11	6
Palisade	SITE 017	PLSDMN 017	5	2
Palisade	SITE 019	PLSDMN 019	11	6
Palisade	SITE 022	PLSDMN 022	19	11
Palisade	SITE 023	PLSDMN 023	18	0
Palisade	SITE 024	PLSDMN 024	4	3
Palisade	SITE 027	PLSDMN 027	10	8
Palisade	SITE 028	PLSDMN 028	29	29
McGrath	MCMAD - BEAR LAKE	MGRTMNA	38	7
McGrath	MCMBD - 230TH REMOTE	MGRTMNAB	12	8
McGrath	MGRT A-31	MGRTMNAH	42	7
McGrath	SITE 003	MGRTMN 003	1	0
McGrath	SITE 004	MGRTMN 004	4	3
McGrath	SITE 012	MGRTMN 012	21	13
McGrath	SITE 014	MGRTMN 014	52	11
Kimberly	SITE 001	KMBRMNXX001	21	17
Kimberly	KIMAD - THOR	KMBRMNAA	23	9
Kimberly	SITE 002	KMBRMNXX002	34	28
Kimberly	SITE 003	KMBRMNXX003	26	13
Kimberly	SITE 007	KMBRMNXX007	16	15
Malmo	SITE 004	MALMMN004	74	35
Malmo	SITE 008	MALMMN008	17	7
Malmo	SITE 009	MALMMN009	35	18
Malmo	SITE 010	MALMMN010	26	9
Malmo	SITE 011	MALMMN011	20	11
Malmo	HTFD - HATFIELD AFC (SITE 014)	MALMMNAC	18	9
Malmo	SITE 015	MALMMN015	31	11
Gateway	SITE 005	GTWYMNXG005	15	7
Gateway	SITE 006	GTWYMNXG006	3	3
Gateway	SITE 009	GTWYMNXG009	23	8
Gateway	600TH STREET S24DU (SITE 010)	GTWYMNAD	25	11
Gateway	SITE 011	GTWYMNXG011	33	7
Gateway	SITE 014	GTWYMNXG014	22	22
Gateway	SITE 015	GTWYMNXG015	5	0
Gateway	SITE 018	GTWYMNXG018	36	18
Gateway	SITE 019	GTWYMNXG019	43	30

Gateway	SITE 020	GTWYMNXG020	23	14
Gateway	SITE 022	GTWYMNXG022	30	24
Gateway	SITE 023	GTWYMNXG023	11	5
Gateway	SITE 024	GTWYMNXG024	14	14
Gateway	SITE 030	GTWYMNXG030	6	4
Gateway	SITE 033	GTWYMNXG033	4	4
Gateway	SITE 034	GTWYMNXG034	0	0
Gateway	SITE 035	GTWYMNXG035	10	7
Gateway	SITE 037	GTWYMNXG037	18	17
Gateway	SITE 038	GTWYMNXG038	29	22
Gateway	SITE 039	GTWYMNXG039	9	6
Gateway	SITE 040	GTWYMNXG040	20	20
McGregor	MCGRMN 001	MCGRMN 001	8	6
McGregor	MCGRMN 002	MCGRMN 002	14	8
McGregor	MCGRMN 003	MCGRMN 003	31	14
McGregor	MCGRMN 004	MCGRMN 004	50	39
McGregor	MCGRMN 007	MCGRMN 007	30	22
McGregor	MCGRMN 008	MCGRMN 008	37	3
McGregor	MCGRMN 010	MCGRMN 010	9	3
McGregor	MCGRMN 013	MCGRMN 013	35	18
McGregor	MCGRMN 014	MCGRMN 014	11	11
McGregor	MCGRMNAQ	MCGRMNAQ	31	12
McGregor	MCGRMN 016	MCGRMN 016	27	16
McGregor	MCGRMN 017	MCGRMN 017	14	7
McGregor	MCGRMN 018	MCGRMN 018	32	10
McGregor	MCGRMN 021	MCGRMN 021	49	23
McGregor	MCGRMNAL	MCGRMNAL	27	18
McGregor	MCGRMN 023	MCGRMN 023	50	16
McGregor	MCGRMN 025	MCGRMN 025	12	10
McGregor	MCGRMN 026	MCGRMN 026	17	26
McGregor	MCGRMNAI	MCGRMNAI	40	17
McGregor	MCGRMN 028	MCGRMN 028	8	5
McGregor	MCGRMN 029	MCGRMN 029	7	7
McGregor	MCGRMN 030	MCGRMN 030	34	16
McGregor	MCGRMN 031	MCGRMN 031	23	9
McGregor	MCGRMN 032	MCGRMN 032	17	6
McGregor	MCGRMNAR	MCGRMNAR	46	24
McGregor	MCGRMN 034	MCGRMN 034	42	11
McGregor	MCGRMN 035	MCGRMN 035	33	11
McGregor	MCGRMN 036	MCGRMN 036	17	7
Kettle River	KTRVMNXK011	KTRVMNXK011	25	6
Finlayson	FNSNMNXF021	FNSNMNXF021	2	1
Isle	ISLEMNXI011	ISLEMNXI011	9	3
Isle	ISLEMNXI012	ISLEMNXI012	26	24
Isle	ISLEMNXI015	ISLEMNXI015	29	18
Isle	OTHER ISLE SITES EXTENDING IN AITKIN COUNTY		42	13
Denham	DNHMMNXD008	DNHMMNXD008	17	6
Denham	DNHMMNAA	DNHMMNAA	43	17
Jacobson	JCBSMNXJ	JCBSMNXJ	131	36
Jacobson	JCBSMNNAD	JCBSMNNAD	57	22
Jacobson	JCBSMNAB	JCBSMNAB	20	9
Jacobson	JCBSMNAE	JCBSMNAE	19	17
Jacobson	JCBSMNAF	JCBSMNAF	27	20
Jacobson	JCBSMNAA	JCBSMNAA	51	32
Jacobson	JCBSMNAH	JCBSMNAH	5	2

2554

1237

1



Frontier
COMMUNICATIONS
 25/3 MB & 10/1 MB
SERVING BOUNDARIES
 AITKIN COUNTY, MN

- Proposed Serving Site
 25/3 MB Proposed Serving Boundary
 10/1 MB Proposed Serving Boundary
- Future Serving Site
 25/3 MB Future Serving Boundary
 10/1 MB Future Serving Boundary

2015 Aitkin County Population:
 15,718 (7,394 households)
*Not including Census Tracts

Aitkin County Broadband Development Grant Application Form

Project Title: Aitkin County (Wealthwood)

Name of Applicant Organization: Savage Communications Inc. DBA SCI Broadband

Applicant Primary Contact Person: Scott Savage

Applicant Address: 111 Tobies Mill Pl

City: Hinckley Zip Code: 55037

Telephone Number: 320-384-7442 Ext. 708 Email Address: ssavage@scicable.com

Authorized Signature: 

By signing this application on behalf of the above organization I am agreeing that I have the authority to do so and that all information contained in this application is true and accurate.

Description of your project, area to be covered, speeds that will be obtained now and in the future:

This project would include passing 283 homes and 3 Businesses with FTTH (Fiber to the Home) within Wealthwood Township located in Aitkin County, MN. See attached map. SCI would offer residential customers with Internet speeds up to 250Mbps/20Mbps with infrastructure designed for up to 1Gig. Digital Phone service with unlimited long distance calling and Digital Cable TV services. Businesses will have access to dedicated Internet services up to 10Gig and phone service solutions including Hosted PBX and SIP Trunking. Below is our current residential speed offerings and Pricing.

Performance 5Mbps/1Mbps - \$34.95

Performance Plus 30Mbps/3Mbps - \$49.94

Performance Ultra 60Mbps/6Mbps - \$64.95

Performance Ultra 100Mbps/10Mbps - \$79.95

Performance Ultra 250Mbps/20Mbps - \$149.95

Description of need, why are Aitkin County funds necessary to complete this project:

SCI has been servicing rural communities in East Central and Northern Minnesota for over 30 years and with our experience the estimate of return for this project is low do to the low density and seasonal residents within the project area. See attached project costs and funding projections. The Aitkin Broadband grant would move the project into organizational return on investment expectations.

Provide information on any activities planned to actively promote the adoption of broadband services in the project area when the services become available: Include a description on any marketing and training programs on broadband applications for residents, businesses and institutions in the areas served by the project.

When project is nearing completion we plan to do a canvass marketing campaign for the homes passed within the project area including Direct Mailers, Door Tags and Signage.

Grant request amount: How much funding are you seeking from the Aitkin County Broadband Development Grant Program for this project? How much are you committing?

Total cost of project: \$224,084.00

Local/Provider match provided: \$112,042.00

County Funds Applied for: \$112,042.00

Other Funds applied for or anticipating to apply for: \$0

What is the source of these funds: *SCI Corporation Cash and Senior Debt.*

General Time Frame of Grant Project:

Starting upon approval of the broadband grant and execution of an agreement between parties; then ending within 12 months of said agreement

Location(s) of your project:

In addition to the written location information supplied above, you must provide a map of the project area, including geographical boundaries and road segments where broadband will be provided. Include the service area boundaries and also include place names, boundaries, buildings, road/street names, street addresses, or other features that clearly identify the project coverage area. Please be clear and concise and add any other information you feel is pertinent. *See Attached Map*

Total number of eligible properties to be served:

Provide information on what properties will be eligible for broadband under this project. Include what broadband speeds will be available to that property and what if any options for scalability there is. This can be provided on the map requirement above or on a separate map. Information that needs to be provided:

- Number of and location of properties that will be able to receive service of at least 10Mbps down and 5Mbps upload as a result of this broadband development grant project.
- Number of and location of properties that will be receiving less than 10Mbps down and 5Mbps upload but will be scalable to meet those speeds in the near future.
- Number of locations that will be receiving less than 10Mbps down and 5Mbps upload now and into the future.
- What is your estimated time table to meet 10Mbps down and 5Mbps upload for those properties not meeting those speeds.
- Provide a three year work plan as it relates to your planned work in Aitkin County, it is our intention to not duplicate services in the same area. *See Attached Map*

Project Costs, Attach a list or schedule of all project elements including materials, equipment, design services, etc. to be purchased for the project. This will be used to determine the applicants match for this grant request. *See Attached List of Projected Costs*

Attachments: Please attach any additional information or use attachments for the application questions. Label each attachment for the question you are intending to provide information on.



Aitkin County Development Broadband Grant Application

Project Cost and Funding Projections

Area: Mille Lacs (Weathwood)

Homes Passed Data:

Homes Passed (HP)	286
Homes Per Mile	39
Cost Per Home Passed	\$784
Cost Per Subscriber	\$1,567

Financial Data:

<u>Gross Revenue</u>	<u>Month</u>	<u>HP</u>	<u>Subscribers</u>	<u>Avg MRC</u>	<u>Annualized</u>
Subscriber (Permanent)	12	20%	57	\$55	\$37,512
Subscriber (Seasonal)	6	30%	86	\$55	<u>\$28,134</u>
			143		\$65,646

EBITA (22% of Gross Revenue) \$14,442

Tax \$712
 Capital Improvement (Escrow) \$296

		<u>Term</u>	<u>Annualized</u>
Depreciation	\$112,042	10	\$11,204

<u>Funding Sources</u>		<u>Outlay</u>	<u>Term</u>	<u>Rate</u>	<u>Annualized Payment</u>
Grant	50%	112,042	NA	NA	NA
Savage Communications Inc	5%	11,204	NA	NA	NA
Senior Debt	45%	<u>100,838</u>	10	6%	\$13,434
Total		224,084			

Capital Outlay Data:

<u>Hub Equipment</u>	<u>Type</u>	<u>Cost</u>	<u>Quantity</u>	
OTN Cabinet	Unit	\$4,500	1	\$4,500
UPS	Unit	\$1,500	1	\$1,500
Backup Battery	Unit	\$985	1	\$985
Chassis/wPS	Unit	\$769	1	\$769
Forward Transmitter	Unit	\$3,610	1	\$3,610
EDFA (8 Port)	Unit	\$8,892	1	\$8,892

EDFA (2 Port)	Unit	\$2,250	1	\$2,250
WDM	Unit	\$200	4	\$800
Return Transmitter	Unit	\$700	3	\$2,100
Receiver	Unit	\$535	4	<u>\$2,140</u>
Net				\$27,546

<u>Plant Infrastructure</u>	<u>Type</u>	<u>Cost</u>	<u>Quantity</u>	
Engineering/Field Staking	Mile	\$600	7	\$4,369
Last Mile Fiber Cable	Foot	\$0.25	38444	\$9,611
Labor	Foot	\$1.35	38444	\$51,899
Pedestal	Unit	\$100	145	\$14,500
Optical Splice Case (Large)	Unit	\$122	9	\$1,090
Optical Splice Case (Small)	Unit	\$57	136	\$7,756
Optical Splitter 1x32	Unit	\$679	9	<u>\$6,069</u>
Net				\$95,294

<u>Installation/CPE Equipment</u>	<u>Type</u>	<u>Cost</u>	<u>Quantity</u>	
Drop Fiber Cable	Foot	\$0.15	57200	\$8,580
Labor	Foot	\$0.65	57200	\$37,180
Demarcation Box	Unit	\$33	143	\$4,719
ONU	Unit	\$155	143	\$22,165
Modem	Unit	\$80	143	\$11,440
Activation	Unit	\$120	143	<u>\$17,160</u>
Net				\$101,244

Total (Capital Outlay) **\$224,084**

<u>Map Data:</u>	<u>HP</u>	<u>Footage</u>	<u>Pedestal</u>
D4MA100DATA	32	7372	22
D5MA100DATA	165	18671	76
D6MA100DATA	71	9962	38
E4MA100DATA	18	2439	9
	286	38444	145

<u>Drop Data:</u>	
Average Distance	400
Drop Labor Cost	\$260.00

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D4

D5

D6

E4

E5

E6



Homes Passed: 286
Route Footage: 38444
Pedestals: 145

Existing Middle Mile 
Proposed Last Mile 

Aitkin County Broadband Development Grant Application Form

Project Title: Big Sandy (Bridge Road)

Name of Applicant Organization: Savage Communications Inc. DBA SCI Broadband

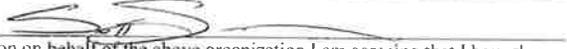
Applicant Primary Contact Person: Scott Savage

Applicant Address: 111 Tobies Mill Pl

City: Hinckley

Zip Code: 55037

Telephone Number: 320-384-7442 Ext. 708 Email Address: ssavage@scicable.com

Authorized Signature: 

By signing this application on behalf of the above organization I am agreeing that I have the authority to do so and that all information contained in this application is true and accurate.

Description of your project, area to be covered, speeds that will be obtained now and in the future:

This project would include passing 323 homes and 1 Businesses with FTTH (Fiber to the Home) within Shamrock Township located in Aitkin County, MN. See attached map. SCI would offer residential customers with Internet speeds up to 250Mbps/20Mbps with infrastructure designed for up to 1Gig, Digital Phone service with unlimited long distance calling and Digital Cable TV services. Businesses will have access to dedicated Internet services up to 10Gig and phone service solutions including Hosted PBX and SIP Trunking. Below is our current residential speed offerings and Pricing.

Performance 5Mbps/1Mbps - \$34.95

Performance Plus 30Mbps/3Mbps - \$49.94

Performance Ultra 60Mbps/6Mbps - \$64.95

Performance Ultra 100Mbps/10Mbps - \$79.95

Performance Ultra 250Mbps/20Mbps - \$149.95

Description of need, why are Aitkin County funds necessary to complete this project:

SCI has been servicing rural communities in East Central and Northern Minnesota for over 30 years and with our experience the estimate of return for this project is low do to the low density and seasonal residents within the project area. See attached project costs and funding projections. The Aitkin Broadband grant would move the project into organizational return on investment expectations.

Provide information on any activities planned to actively promote the adoption of broadband services in the project area when the services become available: Include a description on any marketing and training programs on broadband applications for residents, businesses and institutions in the areas served by the project.

When project is nearing completion we plan to do a canvass marketing campaign for the homes passed within the project area including Direct Mailers, Door Tags and Signage.

Grant request amount: How much funding are you seeking from the Aitkin County Broadband Development Grant Program for this project? How much are you committing?

Total cost of project: \$258,448.00 _____

Local/Provider match provided: \$129,224.00 _____

County Funds Applied for: \$129,224.00 _____

Other Funds applied for or anticipating to apply for: \$0 _____

What is the source of these funds: *SCI Corporation Cash and Senior Debt.*

General Time Frame of Grant Project:

Starting upon approval of the broadband grant and execution of an agreement between parties; then ending within 12 months of said agreement

Location(s) of your project:

In addition to the written location information supplied above, you must provide a map of the project area, including geographical boundaries and road segments where broadband will be provided. Include the service area boundaries and also include place names, boundaries, buildings, road/street names, street addresses, or other features that clearly identify the project coverage area. Please be clear and concise and add any other information you feel is pertinent. *See Attached Map*

Total number of eligible properties to be served:

Provide information on what properties will be eligible for broadband under this project. Include what broadband speeds will be available to that property and what if any options for scalability there is. This can be provided on the map requirement above or on a separate map. Information that needs to be provided;

- Number of and location of properties that will be able to receive service of at least 10Mbps down and 5Mbps upload as a result of this broadband development grant project.
- Number of and location of properties that will be receiving less than 10Mbps down and 5Mbps upload but will be scalable to meet those speeds in the near future.
- Number of locations that will be receiving less than 10Mbps down and 5Mbps upload now and into the future.
- What is your estimated time table to meet 10Mbps down and 5Mbps upload for those properties not meeting those speeds.
- Provide a three year work plan as it relates to your planned work in Aitkin County, it is our intention to not duplicate services in the same area. *See Attached Map*

Project Costs, Attach a list or schedule of all project elements including materials, equipment, design services, etc. to be purchased for the project. This will be used to determine the applicants match for this grant request. *See Attached List of Projected Costs*

Attachments: Please attach any additional information or use attachments for the application questions. Label each attachment for the question you are intending to provide information on.



Aitkin County Development Broadband Grant Application

Project Cost and Funding Projections

Area: Big Sandy (Bridge Road)

Homes Passed Data:

Homes Passed (HP)	324
Homes Per Mile	37
Cost Per Home Passed	\$798
Cost Per Subscriber	\$1,595

Financial Data:

<u>Gross Revenue</u>	<u>Month</u>	<u>HP</u>	<u>Subscribers</u>	<u>Avg. MRC</u>	<u>Annualized</u>
Subscriber (Permanent)	12	20%	65	\$55	\$42,496
Subscriber (Seasonal)	6	30%	97	\$55	<u>\$31,872</u>
			162		\$74,368

EBITA (22% of Gross Revenue) \$16,361

Tax \$756

Capital Improvement (Escrow) \$110

		<u>Term</u>	<u>Annualized</u>
Depreciation	\$129,224	10	\$12,922

<u>Funding Sources</u>		<u>Outlay</u>	<u>Term</u>	<u>Rate</u>	<u>Annualized Payment</u>
Grant	50%	\$129,224	NA	NA	NA
Savage Communications Inc	5%	\$12,922	NA	NA	NA
Senior Debt	45%	<u>\$116,302</u>	10	6%	\$15,494
Total		\$258,448			

Capital Outlay Data:

<u>Hub Equipment</u>	<u>Type</u>	<u>Cost</u>	<u>Quantity</u>	
OTN Cabinet	Unit	\$4,500	1	\$4,500
UPS	Unit	\$1,500	1	\$1,500
Backup Battery	Unit	\$985	1	\$985
Chassis/wPS	Unit	\$769	1	\$769
Forward Transmitter	Unit	\$3,610	1	\$3,610
EDFA (8 Port)	Unit	\$8,892	1	\$8,892
EDFA (2 Port)	Unit	\$2,250	1	\$2,250

WDM	Unit	\$200	4	\$800
Return Transmitter	Unit	\$700	3	\$2,100
Receiver	Unit	\$535	4	<u>\$2,140</u>
Net				\$27,546

<u>Plant Infrastructure</u>	<u>Type</u>	<u>Cost</u>	<u>Quantity</u>	
Engineering/Field Staking	Mile	\$600	9	\$5,239
Last Mile Fiber Cable	Foot	\$0.25	46101	\$11,525
Labor	Foot	\$1.35	46101	\$62,236
Pedestal	Unit	\$100	189	\$18,900
Optical Splice Case (Large)	Unit	\$122	10	\$1,235
Optical Splice Case (Small)	Unit	\$57	179	\$10,196
Optical Splitter 1x32	Unit	\$679	10	<u>\$6,875</u>
Net				\$116,206

<u>Installation/CPE Equipment</u>	<u>Type</u>	<u>Cost</u>	<u>Quantity</u>	
Drop Fiber Cable	Foot	\$0.15	64800	\$9,720
Labor	Foot	\$0.65	64800	\$42,120
Demarcation Box	Unit	\$33	162	\$5,346
ONU	Unit	\$155	162	\$25,110
Modem	Unit	\$80	162	\$12,960
Activation	Unit	\$120	162	<u>\$19,440</u>
Net				\$114,696

Total (Capital Outlay) **\$258,448**

<u>Map Data:</u>	<u>HP</u>	<u>Footage</u>	<u>Pedestal</u>
A4MC100DATA	194	32699	108
A5MC100DATA	31	2283	31
H4JA100DATA	37	5312	19
H5JA100DATA	62	5807	31
	324	46101	189

<u>Drop Data:</u>	
Average Distance	400
Drop Labor Cost	\$260.00

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Scott Savage (SCI Broadband):

We are writing this letter in support of activities designed to bring SCI Broadband to our Big Sandy Lake/McGregor area and specifically, to our location on Big Island which is known historically as Bridge Road. It is our understanding that SCI is investigating expanding their service if it is successful in obtaining Atkin County grant money available for improving broadband service to areas underserved by internet providers. That description certainly describes our residence on Bridge Road.

We are currently customers of Frontier internet which provides DSL service over existing phone lines. While I won't go into great detail, I will say that our existing Frontier speed of 1.4 Mbps at a cost of \$49/month is totally unacceptable. We have tried for months to improve our inadequate internet speed and reliability with Frontier only to meet with pushback from the company. It seems Frontier is very reluctant to upgrade their infrastructure on Bridge Road, despite the fact that Big Island is very densely populated with middle to upper income lakehomes and seasonal cabins. Our frustrating experiences with Frontier are best reflected in an article written by a former Frontier call center employee:

<https://badbusinesspracticesfrontier.wordpress.com/2014/06/02/exposing-frontiers-bad-business-2/>

There are a few alternative internet providers, such as cell-based Verizon and satellite-based Exede, but because of their monthly cap on data and cost, they are not the best choice for us. We are retired professionals who rely very heavily on a robust and reliable broadband speed to power our multiple computers, IP security cameras, voice-over-internet phone and residential security system in addition to the streaming content provided by Netflix, Amazon and Direct TV. It is our opinion that a connection to SCI's fiber network would easily satisfy those needs.

In terms of TV service, we are considered a "fringe" area where receiving antenna digital signals from TV stations in Duluth and the Iron Range are quite inconsistent. Your cable TV service is therefore enticing to us.

In summary, we would like to offer our support to improve the broadband service to Big Island/Bridge Road. We are anxious to take advantage of the e-commerce, continuing education, entertainment and communications technologies that a powerful broadband service, such as SCI, can provide. Please feel free to contact us in any way that we might provide assistance for this endeavor.

Best regards,

Grant and Kathy Garriott
51130 207th Place
McGregor, MN 55760
218/426-3448 (landline)

CC:

Dale Lueck – MN House of Representatives (District 10B)

Ron Smith – Shamrock Township Supervisor

Jack Brula – Shamrock Township and McGregor School District

Janet Hill – Big Sandy Lake Association Board of Directors

Ross Wagner

From: bwj4 [bwj4@frontier.com]
Sent: Wednesday, May 31, 2017 1:18 PM
To: rwagner@co.aitkin.mn.us
Subject: Letter to Ross Wagner

Dear Mr. Wagner,

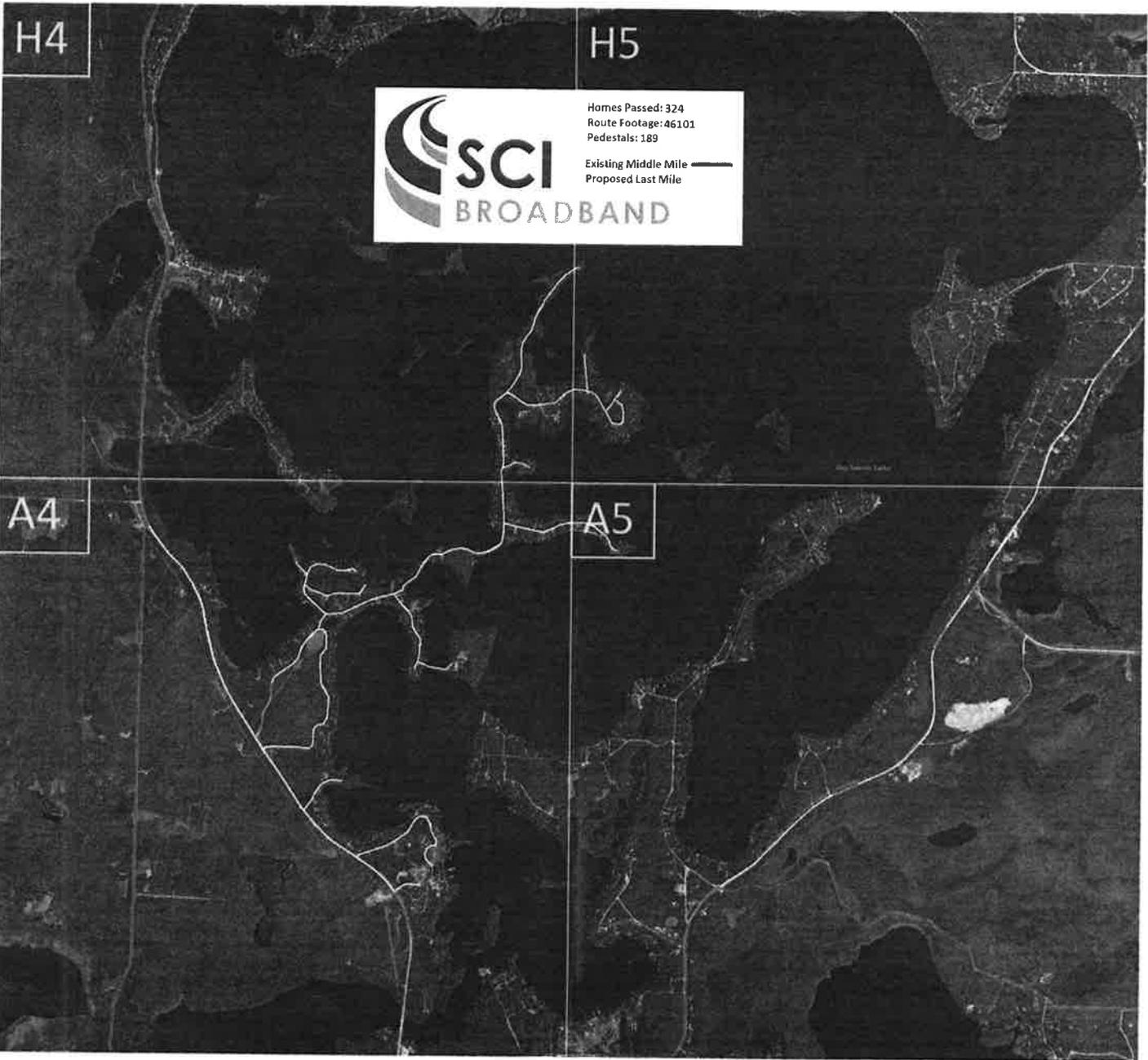
The Big Sandy Lake Association (BSLA) board of directors is pleased to learn that Aitkin County is investing in high speed internet infrastructure by offering a matching grant, the Aitkin County Broadband Development Grant, to incentivize private broadband providers to invest in Aitkin County.

We have recently learned that the broadband provider SCI has expressed interest in installing fiber cable to the Big Sandy area. We are in full support of SCI's plans, and urge you to approve their grant application. Their plan to bring Fiber to the Home (FTTH) networking to the most densely populated neighborhoods on Big Sandy Lake over the next three years meets all of your listed criteria.

With over 1200 property owners on our lake, middle to upper price-range seasonal cabins, full-time resident lake homes, resorts, and small businesses, bringing true high speed internet to this area is long overdue. Investing in broadband in the Big Sandy Lake area will benefit the county overall, by enticing more people to buy property here, and live here.

Sincerely,

Bruce Johnson
President, Big Sandy Lake Association



H4

H5

 Homes Passed: 324
Route Footage: 46101
Pedestals: 189
Existing Middle Mile —
Proposed Last Mile - -

A4

A5

COOPERATION AMONGST COOPERATIVES



AITKIN COUNTY BROADBAND
DEVELOPMENT GRANT
PHASE II FIBER TO THE HOME IN AITKIN COUNTY

Project Title: MLEC Phase 2 FTTH Project

Name of Applicant Organization: Mille Lacs Energy Cooperative

Applicant Primary Contact Person: Stacy Cluff

Applicant Address: 36559 US Hwy 169

City: Aitkin Zip Code: 56431

Telephone Number: 218-927-2191 Email Address: scluff@mlecmn.com

Authorized Signature:



Brian Zelenak

MLEC General Manager

By signing this application on behalf of the above organization, I am agreeing that I have the authority to do so and that all information contained in this application is true and accurate.

Description of your project, area to be covered, speeds that will be obtained now and in the future:

Mille Lacs Energy Cooperative (MLEC) is applying for an Aitkin County Broadband Development Grant to aid in the building a state-of-the-art Fiber-to-the-Home (FTTH) network in rural Aitkin County. For this project, MLEC is partnering with Consolidated Telecommunications Company (CTC) in the same way MLEC and CTC are partnering on the MLEC Phase I FTTH project, which was awarded Border to Border grant funds from the State of Minnesota.

MLEC and CTC have chosen to collaborate with the hopes of deploying broadband across Aitkin County. MLEC and CTC have similar mission statements, which dictate the respective organizations' goals to provide service, not generate profit. Together, the cooperatives have established a trusting relationship. MLEC has been a provider of wireless internet service for years and with CTC's assistance is now becoming a provider of services using fiber optics. CTC's success constructing

been a provider of wireless internet service for years and with CTC's assistance is now becoming a provider of services using fiber optics. CTC's success constructing and offering service over fiber optics has been well demonstrated. CTC has invested over \$70 million dollars to upgrade its copper networks to FTTH. Each project has been constructed under budget and ahead of schedule. In addition, CTC has been awarded multiple grants over the years to help expand the CTC fiber optic network to areas where incumbent providers have not previously provided quality services. Like CTC's FTTH network, MLEC's FTTH project is capable of providing Gigabit symmetrical broadband to the customers within the project area.

The MLEC Phase II FTTH project area is located in Farm Island Township in Aitkin County. The project will be an extension of the Minnesota Border to Border project that is currently being field staked with construction scheduled to commence in August of 2017. Upon receipt of this grant, MLEC will include the Phase II construction in our 2017 construction plans, meaning MLEC will have engineered, constructed and be prepared to offer services using Aitkin County grant funds in less than 6 months from the time an award is made. See Attachment 1 for the detailed location of the project area and Attachment 2 for a project timeline.

Description of need, why are Aitkin County funds necessary to complete this project:

MLEC and CTC are committed cooperative partners in finding ways to deliver fiber optics to the citizens of Aitkin County. The availability of high-speed broadband service to households will provide residents with access to a vast array of new information and resources relating directly to education, telehealth, potential employment, economic development and business opportunities, as well as additional sources of news, entertainment and other activities. Based on the engineering design completed, the total eligible infrastructure costs to build fiber-to-the-Home for the grant project would be \$300,000. MLEC's county grant request is 50%, \$150,000, with the remaining being self-funded by MLEC.

MLEC has determined it would be too costly to build a network capable of delivering dedicated broadband speeds up to 100Mbps download/upload,

without grant funding assistance. This project, therefore, could not continue without the full support from Aitkin County.

Based on the decades of CTC experience building FTTH networks, it is known that the most efficient use of capital dollars enables the greatest number of customers having the opportunity to receive Gigabit services over the network. It is for this reason that MLEC is requesting the full \$150,000 available from Aitkin County in 2017. By providing all funds to MLEC, the County grant funds only contribute to certain engineering and construction expenses one time versus funding various activities with each award it might otherwise distribute. Aitkin County will receive the greatest value and the most connected customers by awarding all funds to MLEC in partnership with CTC. In addition to providing the full \$150,000 to MLEC and CTC, Aitkin County is keeping County funds local with this project. Both MLEC and CTC support local jobs by having staff who live and work in the Aitkin County communities. The use of vendors and contractors who are part of our local communities are used when possible. By funding MLEC and CTC, the County is not only funding FTTH but also contributing to local economic prosperity instead of funding the pockets of non-local providers.

Provide information on any activities planned to actively promote the adoption of broadband services in the project area when the services become available:
Include a description on any marketing and training programs on broadband applications for residents, businesses and institutions in the areas served by the project.

MLEC will utilize many of the approaches CTC has found to be most successful. These include multiple avenues to communicate to potential new homes and businesses within a service area, including a new website portal called Crowd Fiber. This site allows CTC to gather interest in High Speed Internet and other services from those within the project area and those near the project area to begin planning for future FTTH expansion. Available on the site is information about the project, services and pricing, along with the ability for residents to make comments and receive updates. Those signing-up on the site can also help promote the project with a click of a button on social media and via e-mail to help

“crowdsource” the project and, therefore, spur providers such as MLEC in partnership with CTC to grow the project area.

Using CTC’s experience, MLEC will promote fiber build opportunities with several different tactics including personalized letters, postcards, yard signs and door-to-door efforts. We will also hold town hall type meetings and promote the project on our website. CTC will provide MLEC with CTC’s library of customer support materials and user guides to assist customers with connecting devices and a variety of how-to guides.

MLEC will invite individuals to stop into our office to ask questions or try out services using public computers we have made available in our lobby so people can see what the internet over FTTH is really all about – including its incredible speed and low latency, which provide the best customer experience. MLEC will capitalize on the synergies of the implementing this project in parallel with our Phase I Minnesota Border to Border grant project. MLEC is a well-respected, long-term active member of the communities we serve. We sponsor many area events, donate to charitable causes and participate in local activities.

Grant request amount: How much funding are you seeking from the Aitkin County Broadband Development Grant Program for this project? How much are you committing?

Total cost of project: \$300,000

Local/Provider match provided: \$150,000

County Funds Applied for: \$150,000

Other Funds applied for or anticipating to apply for: \$3,515,280

Received for Phase I of MLEC and CTC FTTH project.

What is the source of these funds: Minnesota Border-to-Border Development Grant & Mille Lacs Energy Cooperative

General Time Frame of Grant Project:

Starting: April 2017 Ending: February 2018

Location(s) of your project:

See Attachment 2 for map detail and location of project area.

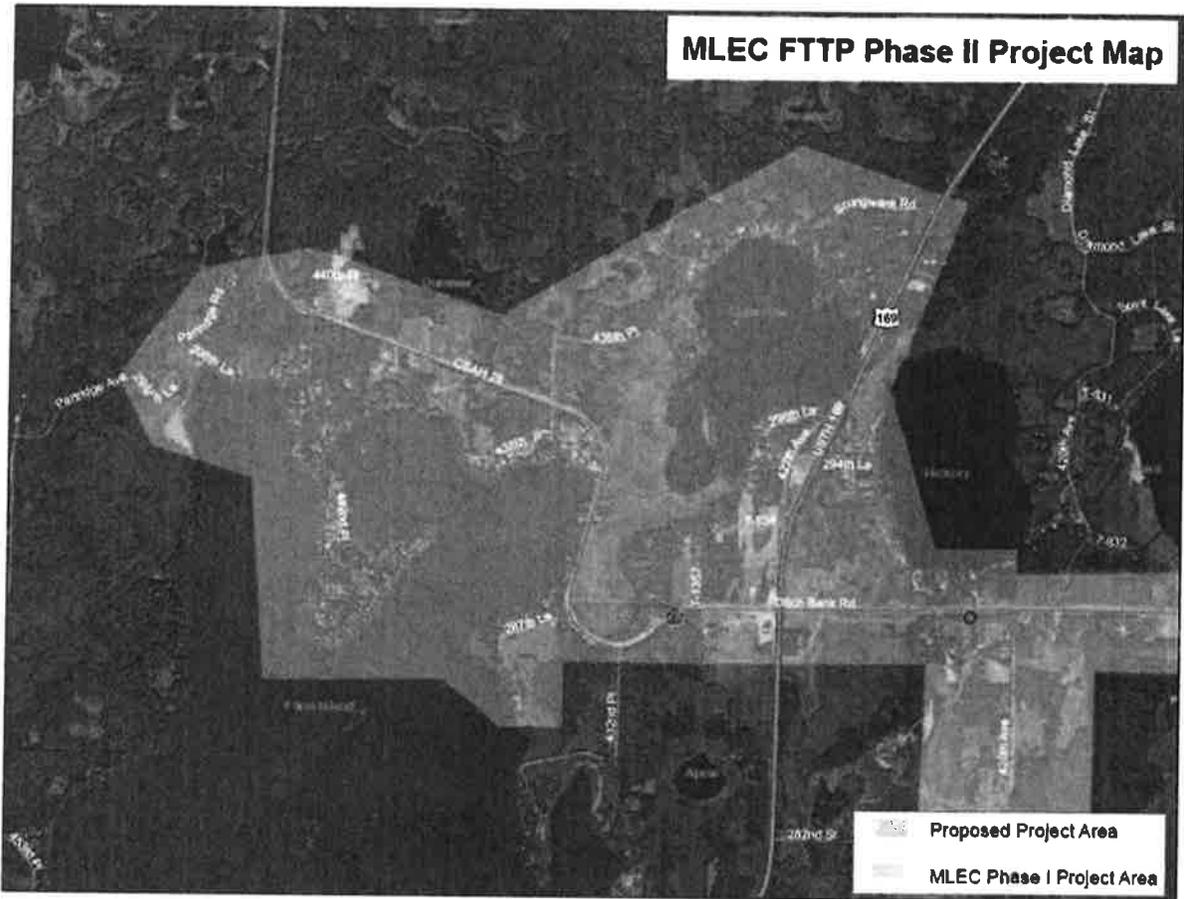
Total number of eligible properties to be served.

- The MLEC Phase II FTTH project will pass 284 properties that have electric service or a source of power available. All of these properties will be able to receive up to 1GB symmetrical service utilizing the MLEC fiber optic network.
- The Aitkin County grant project is phase II of our fiber to-the-home projects. MLEC is committed to expanding the fiber network throughout Aitkin County. In addition, MLEC is currently working on a 5-year Electric Construction Work Plan that includes building fiber to all of our substations. Those in Aitkin County include, Aitkin, Palisade, Kimberly, McGregor, Glen and Opstead substations. The fiber build out will provide capacity for connecting customers along the routes. This will allow MLEC to reach a broader range of customers by having a fiber backbone in place.
- MLEC and CTC will also seek to find additional future grant dollars, should they be available from the Minnesota Office of Broadband Development and any other sources of funding available.
- MLEC is also pledging \$150,000 a year for both 2018 and 2019 to continue the expansion of Phase I and II projects. If chosen, MLEC would leverage the Aitkin County funding to commit \$300,000 per year on fiber expansion in rural Aitkin County.
- Phase III and IV projects are to continue north of County Road 28 (290th Street) to the edge of the City of Aitkin. Also, properties along Pioneer Avenue from Farm Island Lake, north to Highway 210. This includes areas east and west of Highway 169 as potential projects in 2018 and 2019.

MLEC Phase II FTTH Project Costs

Project Expenses	Source of Funds		Total
	Aitkin County	MLEC	
OSP Construction (All Last Mile)	\$108,492	\$108,492	\$216,984.71
Home Investigations/Cutover/Activation	\$11,730	\$11,730	\$23,459.58
Electrician	\$129	\$129	\$258.59
Electronics	\$10,589	\$10,589	\$21,178.40
Connectivity/Cabinetry	\$2,412	\$2,412	\$4,823.51
Permits	\$373	\$373	\$746.74
Engineering	\$16,274	\$16,274	\$32,548.47
Project Total	\$150,000	\$150,000	\$300,000

Attachment 1: Project Map



Attachment 2: Project Schedule

Project Tasks	2017									2018		
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Pre Project Engineering & Planning	■	■	■									
Project Awarded by County (Estimated)				■								
Funds Available from County (Estimated)					■							
Detailed Field Engineering & Mapping				■	■							
Utility Permits & Agreements			■	■								
Environmental Study	■	■										
Federal Historic Review	■	■										
Construction Bidding			■									
Material Order & Delivery				■	■							
Fiber Construction					■	■	■	■	■	■		
Fiber Splicing & Acceptance Testing							■	■	■			
Engineering & Mapping As-Built Record Updates								■	■	■		
Construction Project Contract Close Out										■	■	
Customer Installations								■	■	■		
Last Location Turned Up										■		
Grant Contract Closeout with County											■	

Attachment 3: Potential customer testimonials and support

Phase II Fiber to the Premises

Subject: Broadband

I have owned a cabin in Shingwauk Village since 1986. I love Aitkin County and the beauty of the area. However, it is becoming more and more difficult in this technological era to function without WI-FI connections. Please do whatever is in your power to include this part of Aitkin - 6 miles south of Aitkin off Hwy 169 - in a grant extending WI-FI to this area.

Thank you,
Bernice Berns
42915 303rd Lane
Aitkin, MN

I am probably already on your list begging for broadband to the Shingwauk Village area. It would be beneficial to our community and would get a lot of use. This is a small consolidated area with many internet users. Many who are coming from the cities to use their cabins and who will come more often and spend more money in Aitkin if they can finish their work using internet at their cabins! There is a lot of improvement going on at Shingwauk that is adding value to the area and broadband will also help boost property values. All good things!
Margaret Meyer

Attachment 3: Continued

5/29/17

To Whom It May Concern,

I am writing in support of the grant proposal to Aitkin County by Mille Lacs Energy Cooperative for funds to extend fiber optic broadband service to the Shingwauk Village area of Farm Island Township.

A fiber network would have a definite impact for me, providing the capabilities to spend more time in Aitkin by allowing us to conduct some of our work from our home in Shingwauk Village.

My husband and I own a business providing counseling and educational services. Many of our clients need legal documents prior to going to court, so we must be able to respond in writing and send electronic communications in a timely manner. Our business also has an online presence that must be maintained.

Additionally, I have an online ecommerce business. I need internet access to be able to communicate and process orders for customers.

Our current lack of true high-speed and affordable broadband definitely puts limits on residents and businesses. Greater access and bandwidth enable enhanced communication, possibilities of remote work access and local business opportunities that can keep young people in the local area while attracting others to the Aitkin community.

The advantages of fiber-optic broadband are significant. Without the grant, none of the advantages of broadband may be realized. It appears to be cost prohibitive for our community to build fiber networks without such financial support.

Please award MLEC the funds needed to extend fiber optic lines for high-speed Internet to our home.

Sincerely,

Kay Elliott
42774 303rd Ave N, Aitkin, MN

763-566-2013

kaycelllott@msn.com