South Carolina 2023 ARPA Grant Program Application CPF 1.0



Section 1.1 - Applicant Information

| Legal Entity/Organization Name | ZiTEL LLC |
|--|---|
| Parent Organization | |
| Entity Type (e.g. Corporation, non-profit, cooperative, governmental entity) | LLC |
| Primary Contact Name | Brandon Camden |
| Title | President |
| Mailing Address City, State, Zip | 1123 Celebration Ave Suite 103, Moneta, VA, 24121 |
| Phone Number | 5403281970 |
| Email | bcamden@zitel.com |

Section 1.2 - Project Name/Number

Project Number (Format XXX-XX)
Project Name
Project Priority (1-5, 1 serving as highest priority for applicant)

| ZTL-05 |
|------------------|
| Spartanburg West |
| 2 |

Section 1.3 - Broadband Service Provider Context

Date of Applicant's Initial FCC Submission

Date of Applicant's Most Recent FCC Submission

Applicant has experience delivering broadband service via fiber and/or hybrid fiber-coax infrastructure (YES/NO)

| December 31, 2018 |
|-------------------|
| |
| June 30, 2023 |
| |
| Yes |

<u>Section 1.4 - Broadband Infrastructure Information</u>

Indicate the type(s) of broadband infrastructure technology to be deployed in the project service area.

Projects must provide a minimum of 100/20 Mbps scalable to 100/100 Mbps. Applicant must explain in detail why the proposed project cannot provide 100/100 Mbps.

Will all structures be served with the same technology type?

Estimated Miles of Fiber to be Installed

Estimated Percentage Underground

Estimated Percentage Aerial

| Fiber to the Premises Minimum Sustainable Download/Upload Speeds 100/100 Mbps |
|--|
| Yes |
| 68 |
| 70.00% |
| 30.00% |

Section 1.5 - Project Timeline (Maximum Timeline Allotted is 24 months)

Project Start Date Project Construction Activity Begins Project Construction Activity Completion

| January 1, 2024 |
|-----------------|
| April 1, 2024 |
| July 1, 2025 |

Customer Premises

Initiation of Operations (premise installations begin)

Overall Project Completion Date
Will the project be completed within
24 months of official Notice to Proceed (NTP)?

| November 1, 2025 |
|------------------|
| |
| Yes |

July 1, 2024

Section 1.6 - ESA Project

Does this project include a Main Street Eligible Service Area? (YES/NO)

| No | |
|----|--|

Section 1.7 - Low Cost Plan

(Must be a minimum of 100/20 Mbps)

What Download/Upload speed is offered in your low cost residential plan? (Example 100/20) What is the monthly cost of the plan?

Does the above speed tier include unlimited data? (YES/NO) Is a Consumer-based Contract Required? (YES/NO)

Is the pricing fixed? (YES/NO) If no, what's the duration?

| 100/20 |
|----------|
| \$ 34.99 |
| Yes |
| No |
| Yes |
| |

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Section 2.1 - Project Construction Costs

Section 2.2 - In-kind Match (for Main Street Projects only)

| Type | Description | Qty | Rate | Amount |
|---------------|-------------|-----|------|--------|
| In-Kind Match | | | | |
| Total | | | \$ - | |

| Total Project Cost and In-Kind Match | #REF! |
|--------------------------------------|-------|

Section 2.3 - Funding Details

| Description | Comment | Amount |
|---|---------|-----------------|
| South Carolina ARPA Broadband Grant Program Funds requested | | \$ 3,006,865.00 |
| Applicant-Provided Funding | | \$ 3,006,865.00 |
| Third-Party Funding Source (if applicable) - List Source | | \$ - |
| In-Kind Match (for Main Street Projects only) | | \$ - |
| Total Project Cost | | \$ 6,013,730.00 |
| Percentage Funds Requested from SC Broadband Office | | 50.00% |
| Percentage Funds from Applicant Match | | 50.00% |
| Percentage Funds from Third Party Funding Source | | 0.00% |
| Percentage Funds from In-Kind Match | | 0.00% |

ADJUST APPLICANT
PROVIDED FUNDING
AMOUNT TO GET WHOLE
PERCENTAGES ONLY

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Section 3.1 Confirmations

| Applicant participates in the Affordable Connective Program (ACP) and will participate in the ACP (or its successor) for the life of ACP for the Project Area. | Agree |
|--|------------|
| Applicant will provide at least one low-cost residential option without data usage caps at a minimum speed of $100/20$ for a documented period of time. | Agree |
| The Project will comply with the requirements set forth in ARPA, South Carolina Act No. 244 of 2022, and other federal, state, and local laws, including environmental and permitting laws and regulations. | Agree |
| The Applicant will not use ARPA funds to procure or obtain certain telecom and video surveillance services or equipment as outlined in 2 CFR 200.216 and 2 CFR 200.471, including covered telecommunication and video surveillance services or equipment provided or produced by entities owned or controlled by the People's Republic of China and telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities). | Agree |
| The Applicant, to the extent practicable and consistent with applicable law under the award, will provide a preference for the procurement or use of goods, products, or materials produced in the United States as described in 2 C.F.R. 200.322 and Executive Order 14005 Ensuring the Future is Made in All by All of America's Workers (January 25, 2021). | Agree |
| Applicant will not use ARPA funds to modernize cybersecurity for existing and new broadband networks. | Agree |
| The Project includes pre-project Engineering uses or costs | Disagree |
| If Yes to above, the pre-development Engineering uses or costs will be (1) tied to an eligible broadband project or reasonably expected to lead to such a project; (2) necessary for the efficient and timely performance of eligible Projects; and (3) incurred after March 15, 2021, | Select one |

but prior to execution of the Grant Agreement.

Applicant will encourage its employees, contractors, and subcontractors to adopt and enforce on-the-job seat belt policies and programs for their employees when operating company-owned, rented or personally owned vehicles pursuant to Executive Order 13043, 62 FR 19217 (April 8, 1997).

Applicant will encourage its employees, contractors, and subcontractors to adopt and enforce policies that ban text messaging while driving.

Applicant will require its employees, contractors, and subcontractors to comply with the applicable requirements in the South Carolina Underground Facility Damage Prevention Act pursuant to Title 58, Chapter 36 of the South Carolina Code of Laws, as amended.

Applicant affirms that it will consult with the SC Department of Transportation, electric utilities as well as local water sewer utilities as to any possible efficiencies that can be

achieved with a "dig once" approach.

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4.1 - Additional Information

(max 2000 character limit per item except item 1)

Provide a Summary Narrative that describes your project.

This narrative must be unique for each project and discuss this project only. Refrain from discussing rates, structure counts, estimated dates, work that occurred in the past, or the Company's history of providing Broadband service.

Limit 750 Characters.

This project was selected due to the close vicinity to the other Spartanburg proposed build and relation to ZiTELs existing footprint in NC. The rural area, we believe, fits perfectly with how we conduct business. Our plans and install process are designed to keep the rural population and their needs in mind. We have a tailored process that is the best solution for this area. ZiTEL chose the Greenville/Spartanburg area to build a new plant, as its demographic, economic and geographic make up closely resemble that of ZiTELs headquarters, the Roanoke/Lynchburg area of VA. ZiTEL believes this will give us an opportunity to have an advantage in how we build and deliver service to this area and allow us to duplicate our success in VA to SC

Describe how your proposal meets the needs of the community to be served as described in the "Guidelines."

ZiTEL's Proposal meets the needs of the community as described in the proposal's guidelines based on the fact, we are a new fiber build thorough out the county, we are serving 100% of all housing units in all priority census blocks, and 100% of all housing units in unserved census blocks. ZiTEL's service offerings meet all minimum speed and service criteria of no less than 100/100 mbps. ZiTEL is currently a participating provider with the ACP, and ongoingly helps residents with the information and application processes. ZiTEL will serve as many locations as possible at the lowest possible cost, including future expansions to the surrounding areas. ZiTEL has been aggressive in a grassroots campaign to inform the municipalities, public offices, boards and/or chairs, the local school districts, down to the individual businesses and residents within the proposed service areas. ZiTEL's future campaigns would include (but not be limited to) mailers, targeted television ads, geocoded social media (within the footprint, and immediate surround areas to determine if the needs extend outside of that footprint), along with door-to-door preconstruction notifications, as well as door-to-door information and pre-signups. ZiTEL prides itself on being a community first organization with as much engagement as we can be involved in.

If the proposed Project is in an area that is subject to an existing federal or state funding commitment for reliable speeds of 100/20 Mbps, explain why there is an identified need for additional broadband investment that is not met by existing federal or state funding commitments.

The proposed project is not in any areas subject to any existing state or federal funding that ZiTEL can find designated. All locations, censuses blocks, and service areas were determined following the information provided by ORS and the fabric data.

Describe your plans or programs you will implement to improve adoption in the community described in this proposal.

The projected take rate for this project area is 45% to 55% within one year of project completion. The projection is based on ZiTEL's experience in providing broadband in localities across the Commonwealth of Virginia and the State of North Carolina. That projection is also supported by ZiTEL's experience in its 2020 Cares Act funded project with Bedford County, VA, where the overall take rate is currently at 71%. The actions ZiTEL will take to reach the identified potential customers include frequent notices from both local County governments of the Region and ZiTEL indicating this upcoming project supported by the ORS of South Carolina. We will schedule at least one public meeting, in each of the community designated areas to be facilitated by each local County, in or near each of the designated major sections of the project area to inform the residents about the upcoming work and answer questions. Nearer the completion of the project, we will hold meeting with various HOA organizations in the major areas, place signage, and deliver bulk mailings to the residents to encourage sign-ups and answer questions. ZiTEL has built a strong relationship with fire, rescue, and other first responders. One practice that is implemented is co locating within fire stations. The colocation allows for ZiTEL to be part of the local community and coordinate events to help bridge the digital divide through literacy and informed practices; as well as provide free Wi-Fi to the public, and our highest tier speed available to the station at no cost. ZiTEL also currently and will continually donate to the local school and church organizations to benefit the community and its children. ZiTEL most recently sponsored the local Forth of July celebration and fireworks show in coordination with the local fire department; along with the sponsorship we provided free Wi-Fi to the 5000+ attendees with an information and signup tent.

Describe your plans or programs you have developed and will implement to increase digital literacy, for example, support through online training, for this project?

During the public meetings and HOA meeting we will have a presentation showing our route maps and footprint along with various slides explaining how fiber to the premise or home is offered. We will also allocate ample time to answer questions and concerns of citizens. As a part of our digital literacy efforts, we will spend time explaining to the public the differences in bandwidth, speeds, and latency, and use real world examples to describe them; an example of that, would be to use a water pipe example of a 2" vs 4" vs a 10" pipe to describe bandwidth. ZiTEL has found that real world examples and comparisons, speed the retention of knowledge, helps provide a future vision of uses, and distinguishes our fiber services from subpar previous satellite and/or poor fixed wireless solutions our target areas are accustomed to. Working with the Local County Governments will create an "ORS American Rescue Plan Act – Capital Projects Funds" broadband page on our website to provide project status reports and post specific outreach points of contact for citizens interested in contacting ZiTEL about broadband availability near their residences and businesses. With the Assistance of the local County Governments, ZiTEL will help coordinate outreach efforts and promote program opportunities with schools, libraries, and other county offices that routinely correspond with the general public, including the Cooperative Extension, Recreation, Social Services Department, and select non-profits. ZiTEL currently has new training classes under review to be posted to its website, as well as being actively engaged with several counties to develop a repurposing of underutilized schools and municipality owned structures to not only provide public classes, but an "on the job" job training environment to help facilitate the future workforce.

As part of the Project, identify any areas that the Applicant would be willing to provide free public Wi-Fi in a central or community location to improve access for all South Carolinians and for what period of time.

Since ZiTEL's inception it has developed a strong relationship with volunteer fire and rescue squads in rural areas of Virginia and North Carolina. As these organizations usually are centered in population clusters of rural communities, we tend to try to co-locate inside of these community buildings and provide our top tier service to the location at no cost indefinably. ZiTEL will also broadcast public Wi-Fi at the co-located facilities (if allowed) and in any facility it acquires to facilitate office personal for the project and development of future expansion to the counties and surrounding communities. ZiTEL prides itself on becoming a partner to the local governments as we have done in other localities in Virginia and North Carolina, where applicable we will work with the county governments to provide free public Wi-Fi Access at certain Government facilities like parks, outdoor spaces, public school athletic facilities and youth sports facilities. An Example of our community engagements: At ZiTEL headquarters community of Moneta, VA; a new Farmers Market has started this year on every Wednesday Afternoon and Evening, ZiTEL has provided, at no cost, a free Wi-Fi service at this event.

Will the Project deliver broadband in the approved Project Service Area that meets or exceeds symmetrical download and upload speeds of 100/100 Mbps?

Yes

If no to above, explain and provide support demonstrating why the Project will not deliver such speeds and provide an affidavit that 100/100 Mbps symmetrical download/upload speeds are not practicable.

Explain how the Applicant will consult with the community in the Project Area on the general affordability needs of the target markets.

The project will have a significant benefit by making high quality broadband available to a lot of communities that are considered distressed and with a population that is primarily low to moderate income. The broadband digital equity and inclusion programs made available to LMI households would not be limited to the estimated number of households at the time of application; instead, LMI households would be deemed eligible on a rolling basis throughout the duration of the project, and foreseeable future. All service offerings made available through this project will be eligible for the federal affordability connectivity programs (ACP) available to LMI households. For the life of the project ZiTEL will provide service drops to all locations within the project area, up to 1000', for no charge and will provide no charge for service installation. For drops lengths above 1000' we offer the ability to contract to a 24/36/48 month contract to gain a free drop installation with a small cost to cover a percentage of the drop cost per month, meaning there will never be any upfront costs to any household, including LMI households at the time of installation. ZiTEL also offers a 100/20 for only \$34.99 if qualified through ACP becomes a \$4.99 broadband affordable option. For decades digital technology equity, more specifically the lack thereof, has negatively impacted minority students, low-income families, and rural student populations in disproportionate numbers. If our project is approved, the County and respective ISP partners will each engage in extensive community outreach efforts, identifying low-to moderate-income households to ensure they know how to take advantage of affordably priced, high-quality broadband.

What network resiliency strategies will be leveraged to ensure facilities remain operational?

ZiTEL has designed every project (past, present, and future) to have redundance incorporated. This is achieved, if needed, at the local "island" based level, with at least a core stack of the networking infrastructure electronics with hot and/or warm spares, located within at least two diverse point of presence (PoP) locations with geographically diverse backhaul/backbone/internet routes and two geographically diverse paths to each other. All the PoPs electronics are running on conditioned 24 hour on demand battery backup systems, as well as generators to ensure up time due to local power failures. ZiTEL's methodology prevents outages due to power, equipment failure, and largely for fiber cuts and/or breaks. The entire plant is originally designed to be 100% completed underground. ZiTEL's experience in building and securing our OSP is that underground plant is far less likely to be damaged by anything other than negligence and helps prevent "act of god" damages that is sometimes scene in aerial plants. ZiTEL has realized that there are times when an aerial deployment is necessary and has modified original plans during the field staking and final engineering phases. ZiTEL's current OSP plant is designed based on right of way clearings, and other obstructions that could potentially bring down an aerial line at 72% buried plant vs 28% aerial plant. Any and all damage and or outage has a 3-hour 24/7 365 rapid response time for personnel on site and actively working on whatever issues may arise; this is largely due to the timeframes of emergency repair "miss utility" tickets. ZiTEL's current response time for core and distribution layers of the plant is running at 1 hour and 10 minutes for on-site personnel. ZiTEL believes in local communities and will always have a local presence with local personnel, this allows for faster response times for on-call technicians.

| Will the Project (1) prioritize investments in fiber-optic infrastructure wherever feasible and focus on projects that deliver a physical broadband connection by prioritizing projects that achieve last mile connections or ensure funded middle mile projects have commitments in place to support new and/or improved last mile service; (2) include affordability options and shall participate in ACP for the life of ACP; and (3) prioritize support for local networks owned, operated, or affiliated with local governments, nonprofits, and cooperatives. | Yes | |
|---|-----|--|
| If no to above, explain. | | |
| | | |
| If awarded, will the Grant funds be used to overbuild another existing broadband provider or to reimburse expenses related to overbuilding another broadband provider? | No | |
| If yes to above, explain. | | |
| | | |

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5.1 - Project Sponsors

Entity Name Mears Group, Inc. **Entity Type** (.e.g. Corporation, non-profit, cooperative, governmental entity) Corporation Role within proposed project **OSP** - Construction **Primary Contact Name** Ryan E. McGee Title CONTRACTOR RELATIONS MANAGER 300 West Mercer Street | Dripping Springs, TX Mailing Address City, State, Zip 78620 **Phone Number** (217) 494-1476 Ryan.McGee@Mears.net **Email**

| 5.2 - Project Sponsors | | |
|---|--|--|
| Entity Name Entity Type (.e.g. Corporation, non-profit, cooperative, governmental entity) | Millennium Corporation | |
| Role within proposed project | Materials Management | |
| Primary Contact Name | Joe Michael | |
| Title | Market Manager | |
| Mailing Address City, State, Zip | 5831 Center Road Valley City, OH 44280 | |
| Phone Number | 216.282.3700 | |
| Email | joe.michael@mtpllc.us | |

5.3 - Project Sponsors

| Entity Name Entity Type | Millennium Infrastructure Fund | |
|---|----------------------------------|--|
| (.e.g. Corporation, non-profit, cooperative, governmental entity) | Corporation | |
| Role within proposed project | Financial Backing | |
| Primary Contact Name | KEVIN F. CZAICKI | |
| Title | VP of Broadband Solutions | |
| Mailing Address City, State, Zip | 2121 HOBBS DR. DELAVAN, WI 53115 | |
| Phone Number | 573.814.9714 | |
| Email | kevin.czaicki@mtpllc.us | |
| <u>5.4 - Project Sponsors</u> | | |
| Entity Name | | |
| Entity Type (.e.g. Corporation, non-profit, cooperative, governmental entity) | | |
| Role within proposed project | | |
| Primary Contact Name | | |
| Title | | |
| Mailing Address City, State, Zip | | |

Phone Number

Email

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6.1 - Attachment Checklist

(Please attach the following items to application)

| GIS Shapefiles | |
|--|-----|
| Proposed 2020 Census Blocks | Yes |
| Proposed Fiber/Cable Lines | Yes |
| Proposed Structures Served by Type | Yes |
| Existing Fiber/Cable Lines Network Junctions | Yes |
| | |
| Signed affidavit certifying grant application is complete and accurate | Yes |
| | |
| Proof of funding related to proposed project or non-cash support, provide associated | |
| documentation e.g. yearly financial reports, bank statement, etc. | Yes |
| | |
| Letters of support and strategic partnerships | Yes |
| | |
| Copies of Applicant's Current Fee Structure for all Internet Speed Tiers | Yes |
| | |
| Certificates of Insurance | Yes |
| | |
| Main Street Work Plan | No |
| | |
| Any additional information evidencing community need for project | Yes |