

STATE OF MICHIGAN

GRETCHEN WHITMER DEPARTMENT O

DEPARTMENT OF TECHNOLOGY, MANAGEMENT & BUDGET LANSING

TRICIA L. FOSTER DIRECTOR

Connecting Michigan Communities Grant Application

Please read through the entire Connecting Michigan Communities Grant Information and Application – 2019 package before you begin to respond to the application questions. This will help ensure you understand the full scope of the application as well as the details you will need to provide to complete the application.

Application Deadline: All grant applications are due by 4:00PM EST, Friday, August 30, 2019.

Submission Guidelines: Completed application and supporting documentation must be received by the Department of Technology, Management, and Budget (DTMB), Center for Shared Solutions by 4:00 p.m. on Friday, August 30, 2019, to be considered for funding. Applicants should email their applications and all attachments in PDF format to <u>DTMB-CMICGrant@michigan.gov</u>. Applicants will receive an email confirmation of their submission within 48 business hours. Please fill out the entire application and clearly label any attachments with the question/statement number from the application form. Award decisions are estimated to be made in the fourth quarter of 2019.

Questions and Contact: If you have questions after reviewing the application and supporting documentation, please see the Frequently Asked Questions (FAQ) document available on the grant website at: <u>www.michigan.gov/CMICGrant</u>. The FAQ will be updated throughout the application process. Questions and comments can also be submitted via email to: <u>DTMB-CMICGrant@michigan.gov</u>.

Application Checklist

This checklist is part of your application and should be returned along with your completed application and attachments.

Application Submission Checklist:

- \Box Read the entire application package.
- D Public application is complete and file name meets the standards.
- □ Non-Public application is complete and file name meets the standards.
- □ Confidential Treatment Form is complete.
- □ Attachments have been gathered and file names meet the standards.
 - Attachment 1: Map of proposed service area in PDF format (including both last mile coverage and middle mile routes)
 - □ Attachment 2: GIS-compatible file of the proposed service area (including both last mile coverage and middle mile routes)
 - □ Attachment 3: Spreadsheet of census blocks that are part of the proposed service area
 - □ Attachment 4: Match commitment letters or evidence
 - □ Attachment 5: Applicant organizational chart
 - □ Attachment 6: Resumes of key officers, management personnel, and proposed project management team
 - □ Attachment 7: Audited financial statements.
 - □ Attachment 8: Evidence of network scalability
 - □ Attachment 9: Five year, stand-alone project financial plan/forecast
 - □ Attachment 10: Affidavit of commitment to offer the proposed service and cost in the proposed service area for a minimum of five years after project completion
 - □ Attachment 11: Budgetary engineering designs, diagrams, and maps that show the proposed project
 - □ Attachment 12: Letters of support
 - □ Attachment 13: Demonstration of customer interest in the proposed project
 - □ Attachment 14: Statements of impact/support from CAIs (if applicable)
 - □ Attachment 15: Evidence of application for a SPIN (if applicable)
 - □ Attachment 16: Statements of impact/support from businesses (if applicable)

NOTE: Attachments must be submitted following the designated naming structure. Applicants are to use the name of their organization followed by the attachment number and file type (e.g. ABCTelecom_Attachment_1.xlsx).

Application

Applicant and Project Information, Contact Information, and Summary

- 1. Project Name:
- 2. Applicant Name:

DBA (if applicable):

Mailing Address:

3. Primary Grant Contact:

Primary Contact Organization (if not part of the applicant's organization):

Primary Contact Phone Number:

Primary Contact Email Address:

4. Application Author Name:

Application Author Email:

- 5. Eligibility Status: Please select the means by which the applicant is eligible to apply for the grant: □ Licensed under the Michigan Telecommunications Act (1991 PA 179, MCL 484.2101 to
 - 484.2603)
 - □ Franchise holder under the Uniform Video Services Local Franchise Act (2006 PA 480, MCL 484.3301 to 484.3315)
 - $\hfill\square$ Broadband service provider currently providing service in Michigan
- Are you registered with the <u>Michigan Public Service Commission's Intrastate Telecommunications</u> <u>Service Providers Registry (ITSP)</u>?
 □Yes □No □Unsure
- 7. Have you provided broadband coverage data to Connect Michigan in the last five years? □Yes □No □Unsure
- 8. Applicant Identification Numbers: Please provide the following identification numbers for the applicant (if available):

Federal Employer Identification Number (EIN):

Michigan Tax Identification Number:

Michigan Vendor Identification Number:

Federal Communications Commission Registration Number (FRN):

Service Provider Identification Number (SPIN):

9. Project Summary (250 words max.):



Attachment 1: Map of proposed service area in PDF format (including both last mile coverage and middle mile routes) Name of Attachment 1:

Attachment 2: GIS-compatible file of the proposed service area (including both last mile coverage and middle mile routes) Name of Attachment 2:

Attachment 3: Spreadsheet of census blocks that are part of the proposed service area. Name of Attachment 3:

10. Please provide a brief description of the proposed service area (250 words max.):

- 11. Does the project include a middle mile component:□Yes □No
- 12. Locations Passed: Please indicate the total number of locations by type that will be able to receive improved broadband services as a result of the proposed project:

Households:

Businesses:

Community Anchor Institutions:

13. Are any vacant lots included in the total number of locations passed listed above? □Yes □No

If yes, these vacant lots should be anticipated for growth in the next five years according to a local, county, or regional master plan or economic development plan. Please list the name of the relevant plan and the jurisdiction implementing the plan.

Plan Name:

Jurisdiction:

14. Please list the jurisdictions impacted by the proposed service area:

City(ies)/Village(s):

Township(s):

County(ies):

State House District(s):

State Senate District(s):

15. Please provide a brief description of the broadband service to be provided including, but not limited to, the technology to be used, will bandwidth be dedicated or shared, etc. (250 words max.):

Project Costs and Budget

- 16. Total eligible project cost:
- 17. Total grant request:

Attachment 4: Match commitment letters or evidence Name of Attachment 4:

18. Total matching funds: Please complete the table below summarizing the source, amount, and type of matching funds contributed to the project. Applicants should also indicate if the match is secured or not. Attach additional sheets if necessary.

Source	Amount	Туре	Secured?
		□Cash □In-Kind	□Yes □No
		□Cash □In-Kind	□Yes □No
		□Cash □In-Kind	□Yes □No
		□Cash □In-Kind	□Yes □No
		□Cash □In-Kind	□Yes □No
		□Cash □In-Kind	□Yes □No

- 19. If matching funds or in-kind contributions listed above are not yet secured, please describe the process remaining to secure the funds and the anticipated timeline to do so, (250 words max.):
- 20. Project Budget: Please use the following table to provide a budget for the proposed project. Please use the recommended categories in the table where possible, creating other categories where anticipated expenses do not fall within one of the recommended categories.

Use of Funds	Match Amount	Grant Amount	Total
Buildings and Labor			
Last Mile Construction Labor			
Middle Mile Construction Labor			
Construction Material			
Customer Premise Equipment			
Customer Premise Installation			
Electronics			
Permits			
Professional Services and Engineering			
Other:			
		Total	

21. Please briefly describe why this project needs funding from the CMIC Grant program and why the project could not proceed without this funding, (250 words max.):



Experience and Financial Wherewithal

Attachment 5: Applicant organizational chart Name of Attachment 5:

Attachment 6: Resumes of key officers, management personnel, and proposed project management team Name of Attachment 6:

22. Please provide a brief history of your organization including experience relevant to the proposed project, (250 words max.):

Attachment 7: Audited financial statements Name of Attachment 7: 23. Please provide a brief statement to accompany your attached audited financial statements and documentation, (250 words max.):



Long-Term Viability and Scalability

Attachment 8: Evidence of network scalability Name of Attachment 8:

24. Please provide a description and evidence that the proposed infrastructure is scalable to meet the anticipated future connectivity demands of the proposed service area. Please indicate the end-user connection speed to which the proposed network is designed to scale. This information must be certified by the equipment manufacturer or a professional engineer, (250 words max.):

Attachment 9: Five-year, stand-alone project financial plan/forecast Name of Attachment 9:

Attachment 10: Affidavit of commitment to offer the proposed service and cost in the proposed service area for a minimum of five years after project completion. Name of Attachment 10:

25. Please provide a brief narrative to accompany your attached five-year stand-alone project financial plan/forecast, (400 words max.):

Readiness

Attachment 11: Budgetary engineering designs, diagrams, and maps that show the proposed project. Design documents must clearly demonstrate the applicant's complete understanding of the project and ability to provide the proposed solution. This information must be certified by a Professional Engineer registered in Michigan.

Name of Attachment 11:

26. Please provide a brief statement to accompany your attached engineering designs, diagrams, and maps indicating your readiness to build, manage, and operate the proposed network, (250 words max.):

27. Please use the table below to complete a project schedule outlining individual tasks and their timing by quarter and year. All projects must be complete by September 30, 2023.

Task		2020			20	21			20	22			2023	
Idan	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3

- 28- Please indicate the anticipated date upon which service to the last location in the proposed project area will be turned on:
- 29. Please list any factors that would change or delay the proposed schedule:
- 30. Have all the required local/city/county/state approvals necessary for this project to proceed been obtained?

□Yes □No

If not, what remains to be done and what is required for completing the process of obtaining approvals? Include this information in the project schedule.

31. Have state environmental review requirements been met, if applicable? □Yes □No

If not, what remains to be done and what is required for completing the process of obtaining approvals? Include this information in the project schedule.

32. Does this project affect/is the project located in or near local, state, or federal historic or potentially historic, architectural, or archeological resources?
□Yes □No

If not, what remains to be done and what is required for completing the process of obtaining approvals? Include this information in the project schedule.

33. Please briefly describe how the proposed project will leverage existing broadband networks, where practical, or be built in conjunction with other broadband infrastructure project(s), (250 words max.):

Community and Economic Development

Attachment 12: Community letters of support Name of Attachment 12:

Attachment 13: Demonstration of customer interest in the proposed project Name of Attachment 13:

34. Please provide a brief statement to accompany the demonstration of customer interest you have attached to this application. This description should include the method used for gauging customer interest and the results, (250 words max.):

Attachment 14: Statements of impact/support from CAIs (if applicable) Name of Attachment 14:

35. In the table below, please list the specific community anchor institutions (CAIs) to be served by the proposed project, (attach additional sheets if necessary). Please also attach statements or evidence from these CAIs regarding the benefits of the proposed connectivity solution and how it will impact the organizations.

CAI Name	Address	Type (e.g. healthcare, library, school, etc.)

Attachment 15: Evidence of application for a SPIN (if applicable) Name of Attachment 15: 36. If the proposed project includes connections to schools or libraries, please provide your SPIN or evidence of application for a SPIN from the FCC/Universal Service Administrative Company (USAC) and demonstration of your knowledge of E-rate and working with the FCC/USAC, (250 words max.):

37. Please briefly summarize how the proposed service will impact the following sectors in the community:

Public safety:

Healthcare:

Education:

Government entities:

Libraries:

Attachment 16: Statements of impact/support from businesses (if applicable) Name of Attachment 16: 38. Please provide a brief description of businesses needing improved broadband service in the proposed project area and the level of improvement needed. Please also attach statements or evidence from any impacted businesses regarding the benefits of the proposed connectivity solution and how it will impact the business, (250 words max.):

39. If the proposed service area has a significant agricultural presence, please briefly describe how the proposed service will impact farmers and the agriculture community, (250 words max.):

40. Is broadband included in a local, county, or regional economic development plan, master plan, or similar up-to-date planning document, or does the community in which the proposed service is to be deployed have a specific broadband/technology plan in place?
 □Yes □No

If yes, please list the name of the relevant plan and the jurisdiction implementing the plan.

Plan Name:

Jurisdiction:

Affordability and Service Limitations

41. Using the table below, please indicate the download and upload speeds of the services to be offered in the proposed service area offered over the initial five years of the project (attach additional sheets if necessary). The non-discounted/rack rate monthly pricing of unbundled internet-only service should be included for each service offered, as well as the monthly data allowance for customers (if applicable):

Download Speed (Mbps)	Upload Speed (Mbps)	Monthly Cost	Monthly Data Allowance (GB)

42. Do you participate in the federal Lifeline program? □Yes □No 43. Do you plan to offer a lower-cost monthly subscription plan for low-income households in the proposed service area?
 □Yes □No

If yes, please briefly describe the program including the type of service to be offered, the monthly cost for qualifying household, and how you plan to determine household eligibility for such a program, (400 words max.):

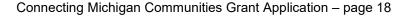
44. Does any of the proposed service area include (wholly or partially) an eligible distressed area (a list of eligible distressed areas can be found here: <u>https://www.michigan.gov/mshda/0,4641,7-141-48987_75951-181277--,00.html</u>)?
□Yes □No

If yes, please list the distressed community(ies) impacted by the proposed service area:

Adoption Strategy

45. Please briefly describe any proposed digital literacy training events, materials, and/or resources that will be provided to residents or businesses impacted by the proposed connectivity. This description should include commitments from any partners included in the digital literacy training and the anticipated outcomes from related activities, (400 words max.):

46. Please briefly describe the materials and method(s) to be used for providing residents and businesses with information promoting the use of an internet connection for improving quality of life, access to resources, economic opportunity, etc., in the proposed service area. Partnerships with local CAIs that build awareness for enriching online opportunities for residents and businesses are highly encouraged. Examples of these opportunities include, but are not limited to, telehealth applications, access to government services, e-learning, job and career readiness programs, public safety information, cybersecurity training, etc., (400 words max.):





August 27, 2019

State of Michigan Department of Management and Budget Connect Michigan Communities Grant Program

Dear Grant Administrators:

Thank you for reviewing our grant application. Our application meets all applicable requirements of the grant program. Some of the highlights and comments on our application:

- Proven need; 5700 survey letters were sent to Barry County
- End-user themselves confirm what we know to be fact: the areas we are applying for is underserved and does not meet federal or state standards for broadband use. Ongoing surveying occurring at www.acd.net/barryfiber to help ensure that we have the best data to serve customers. Wireless ISP's do provide underserved service in the area, but as noted in surveys they indicate that the speeds are not meeting 10/1 speeds via their own experience, and the service is inconsistent and unreliable. Many customer indicate that they cannot depend on services in these areas because of reliability. The impediments is due to multiple factors:
 - The cost of service is exceeds what is economically feasible.
 - Coverage is unreliable and inconsistent. This is likely due to use of unlicensed spectrum, foliage and trees that impair coverage. Customer my also have to purchase towers or poles to get clearance over foliage, which is not feasible for many customers.
 - Higher usage of the network causes extensive slowdowns or lack of service with today's streaming applications. Bandwidth caps limit utility of the networks. Customers cannot obtain service at speeds with any consistency or reliability.
- ACD has proven broadband deployment loan and grant experience: \$12 million borrowed from the state
 of Michigan in the early 2000's and paid back in full. Federal NTIA Grant co-participant REACH-3MC grant
 programs of \$40,000,000 with 20% match. We have 120 employees, and are headquartered in Lansing, MI
- Financial Resources and cash on hand to execute the project and the match requirement.
- Proven Technogym and proven speeds: Each and every customer will get full gigabit speeds 1000 up and 1000 down. Wireless or other technologies will limit the actual quantity of end-users that can come aboard at particular speeds. Fiber does not slow down as all end-users come aboard.
- Extensive support from area constituents, with numerous letters of support

Thank you for your review of the grant application. Please feel free to contact me if I can answer any questions.

Sincerely,

Kevin Schoen CEO ACD.net 517-999-3250 office 517-231-7715



GRETCHEN WHITMER GOVERNOR STATE OF MICHIGAN DEPARTMENT OF TECHNOLOGY, MANAGEMENT & BUDGET LANSING

TRICIA L. FOSTER DIRECTOR

Connecting Michigan Communities Grant Confidential Treatment Form and the Freedom of Information Act

CONFIDENTIAL TREATMENT FORM AND THE FREEDOM OF INFORMATION ACT. All portions of the Applicant's proposal and resulting award are subject to disclosure as required under Michigan's Freedom of Information Act (FOIA), MCL 15.231, et seq. However, some information may be exempt from disclosure. Under MCL 18.1261(13)(b), records containing "a trade secret as defined under section 2 of the uniform trade secrets act, 1998 PA 448, MCL 445.1902," are exempt from disclosure under FOIA. In addition, "financial or proprietary information" submitted with a proposal is exempt from disclosure under FOIA. An applicant's failure to comply with this Section is grounds for rejecting an applicant's proposal as non-responsive. As a part of its proposal, each applicant must follow the procedure below.

- 1. SUBMIT A COMPLETED "CONFIDENTIAL TREATMENT FORM" (CT FORM) WITH YOUR APPLICATION. Completion and submission of the CT Form is required regardless of whether the Applicant seeks confidential treatment of information. Failure to submit a completed CT Form may be cause for disqualification from the application process.
 - a. Complete and sign Section 1 of the CT Form if the Applicant does NOT request confidential treatment of information contained in its proposal; or
 - b. Complete and sign Section 2 of the CT Form if the Applicant requests confidential treatment of certain information. Applicant must also submit a "Public Copy" of the proposal with the trade secret, financial, and proprietary information redacted and clearly labeled as the "Public Copy."
- 2. FOIA REQUESTS. If a FOIA request is made for an Applicant's proposal, the Public Copy may be distributed to the public along with the Applicant's CT Form. The CT Form is a public document and serves as an explanation for the redactions to the Public Copy. Do not put any trade secret, financial, or proprietary information in the CT Form. Do not redact the CT Form itself.
- 3. NO ADVICE. The State will not advise an Applicant as to the nature or content of documents entitled to protection from disclosure under FOIA or other laws, as to the interpretation of such laws, or as to the definition of trade secret or financial or proprietary information. Nothing contained in this provision will modify or amend requirements and obligations imposed on the State by FOIA or other applicable law.
- 4. FAILURE TO REQUEST CONFIDENTIAL TREATMENT. Failure to request material be treated as confidential as specified herein relieves the State, its agencies, and personnel from any responsibility for maintaining material in confidence.
- 5. Applicants containing a request to maintain an entire proposal as confidential may be rejected as non-responsive. The State reserves the right to determine whether material designated as

exempt by an Applicant falls under MCL 18.1261 or other applicable FOIA exemptions. If a FOIA request is made for materials that the Applicant has identified as trade secret, financial, or proprietary information, the State has the final authority to determine whether the materials are exempt from disclosure under FOIA.

6. Applicant forever releases the State, its departments, subdivisions, officers, and employees from all claims, rights, actions, demands, damages, liabilities, expenses and fees, which arise out of or relate to the disclosure of all or a portion of an Applicant's proposal submitted under this grant program. Applicant must defend, indemnify and hold the State, its departments, subdivisions, officers, and employees harmless, without limitation, from and against all actions, claims, losses, liabilities, damages, costs, attorney fees, and expenses (including those required to establish the right to indemnification), arising out of or relating to any FOIA request, including potential litigation and appeals, related to the portion of Applicant's proposal submitted under this grant program that the Applicant has identified as a trade secret, or financial or proprietary information. The State will notify the Applicant in writing if indemnification is sought. The State is entitled to: (i) regular updates on proceeding status; (ii) participate in the defense of the proceeding; (iii) employ its own counsel; and to (iv) retain control of the defense, or any portion thereof, if the State deems necessary. Applicant will not, without the State's written consent (not to be unreasonably withheld), settle, compromise, or consent to the entry of any judgment in or otherwise seek to terminate any claim, action, or proceeding. If a State employee, official, or law is involved or challenged, the State may control the defense of that portion of the claim. Any litigation activity on behalf of the State, or any of its subdivisions under this Section, must be coordinated with the Department of Attorney General. An attorney designated to represent the State may not do so until approved by the Michigan Attorney General and appointed as a Special Assistant Attorney General.

CONFIDENTIAL TREATMENT FORM (CT FORM)

INSTRUCTIONS: Complete either Section 1 or Section 2 of this CT Form and sign where indicated. This CT Form must be signed by the individual who signed the grant application. A completed CT Form must be submitted with your proposal, regardless of whether your proposal contains confidential information. Failure to submit a completed CT Form with your application is grounds for rejecting the proposal as non-responsive. See Section 4.1.5 of the CMIC Grant Overview for additional information.

Section 1. Confidential Treatment Is Not Requested

This section must be completed, signed, and submitted with the proposal if the Applicant does not request confidential treatment of any material contained in the proposal.

By signing below, the Applicant affirms that confidential treatment of material contained in the proposal is not requested.

Project Name

Signature '

Date

[Printed Name]

[Title]

[Company]

Section 2. Confidential Treatment Is Requested

The section must be completed, signed, and submitted with the proposal if bidder requests confidential treatment of any material contained in the proposal. Submission of a completed CT Form is required to request confidential treatment.

Provide the information in the table below. Applicant may add rows or additional pages using the same format shown in the table. Applicant must specifically identify the information to be protected as confidential and state the reasons why protection is necessary. The CT Form will not be considered fully complete unless, for each confidentiality request, the Applicant: (1) identifies whether the material is a trade secret (TS), financial information (FI), or proprietary information (PI); (2) explains the specific legal grounds that support treatment of the material as TS, FI, or PI; and (3) provides the contact information for the person at bidder's organization authorized to respond to inquiries by the State concerning the material. Applicants must not simply cite to an applicable act or case name; rather, bidders must provide a complete justification as to how the material falls within the scope of an applicable act or relevant case law.

Application page #, paragraph #, and section #	State whether the material is a trade secret (TS), financial information (FI), or proprietary information (PI)	Explain the specific grounds in State or other applicable law which supports treatment of the material as TS, FI, or PI. Do not simply cite to the applicable act. Provide a complete justification as to how the material falls within the scope of the applicable act or relevant case law.	Provide the Applicant contact information
		Please see attached document	

By signing below, the Applicant affirms that confidential treatment of material contained in its proposal is requested and has attached to this form a redacted "Public Copy" of the Applicant's proposal.

COUNTY FIBERNET BARRY Projec# Mame 03-20-20 Date Signature CHOEN [Printed Name] CEO [Title] HEPS RECHNOLOGIES, INC. D/B/A ACID.NET [Company]

Schedule of Confidential Information, KEPS Technologies, Inc. d/b/a ACD.net

Application page #, paragraph #, and section #	(TS), financial information (FI), or	Explain the specific grounds in State or other applicable law which supports treatment of the material as TS, FI, or PI. Do not simply cite to the applicable act. Provide a complete justification as to how the material falls within the scope of the applicable act or relevant case law.	Provide the Applicant contact information
2. BARRY COUNTY FIBER KCS 0229 PM 08-26-19, sections where it contains survey		MCL 18.1261(13)(b) The information contained includes specific customer submitted information from end-users, including names, phone numbers and addresses in the files. Those customers were assured confidentiality, and	
data detail	TS, PI	such information collected by ACD is a trade secred	Kevin Schoen, 517-231-7715
	-	1998 PA 448, MCL 445.1902 The information includes	
4. FIDELITY STATEMENT OF CASH KCS 08-16-19, all pages	FI	confidential bank records and account numbers	Kevin Schoen, 517-231-7715
	FI	1998 PA 448, MCL 445.1902 The information includes confidential bank records and account numbers	Kovin Schoon E17 221 7715
4. MERCANTILE STATEMENT OF CASH 1 KCS 08-08-19, all pages	FI	1998 PA 448, MCL 445.1902 The information includes	Kevin Schoen, 517-231-7715
4. MERCANTILE STATEMENT OF CASH 2 KCS 08-08-18, all pages	FI	confidential bank records and account numbers	Kevin Schoen, 517-231-7715
4. MERCANTILE STATEMENT OF CASIT 2 RCS 00-08-10, all pages		MCL 18.1261(13)(b), 1998 PA 448, MCL 445.1902 The	Kevin Schoen, 517-251-7715
		information includes the organizational chart of our	
		employee base, including critical and key operations	
		employees to manage and maintain 911 systems, critical	
		utility infrastructure, and security of employees, such	
		information if released can be utilized for targety by cyber	
5. ACD ORG CHART KCS DMS 08-20-19, all pages	PI, TS	criminals and hackers.	Kevin Schoen, 517-231-7715
	.,	1998 PA 448, MCL 445.1902 This information contains	······································
7. 2016 FINANCIAL STATEMENTS KCS 09-24-19, all pages	FI	proprietry company wide finanical information	Kevin Schoen, 517-231-7715
		1998 PA 448, MCL 445.1902 This information contains	
7. 2016 AUDITED FINANCIAL STATEMENTS KCS, all pages	FI	proprietry company wide finanical information	Kevin Schoen, 517-231-7715
		1998 PA 448, MCL 445.1902 This information contains	
7. 2017 AUDITED FINANCIAL STATEMENTS KCS, all pages	FI	proprietry company wide finanical information	Kevin Schoen, 517-231-7715
		1998 PA 448, MCL 445.1902 This information contains	
7. 2018 PRELIMINARY AUDITED FINANCIAL STATEMENTS KCS, all pages	FI	proprietry company wide finanical information	Kevin Schoen, 517-231-7715
		MCL 18.1261(13)(b), 1998 PA 448, MCL 445.1902 This	
		spreadsheet contains costs, revenue, and income	
		assumptions and analysis and is proprietary business	
9. 5 YEAR STANDALONE FINANCIAL PROJECTION KCS 06-58AM 12-13-19, all pages	TS, FI, PI	information.	Kevin Schoen, 517-231-7715
		The information contained includes specific customer	
		submitted information from end-users, including names,	
		phone numbers and addresses in the files. Those	
		customers were assured confidentiality, and such	
		information collected by ACD is a trade secret. Customers	
		have consented to this informaiton to be use in aggregate	
		only, however this particular file includes extended	
13. BARRY COUNTY FIBER SURVEY KCS 07-10-19, all pages	TS, PI	datasets that cannot be disclosed	Kevin Schoen, 517-231-7715



STATE OF MICHIGAN

DEPARTMENT OF TECHNOLOGY, MANAGEMENT & BUDGET

LANSING

GRETCHEN WHITMER GOVERNOR TRICIA L. FOSTER DIRECTOR

Connecting Michigan Communities Grant Application Request for Clarification

September 19, 2019

Company Name: KEPS Technologies / dba / ACD Application Proposal: Barry County FiberNet Application Contact: Mr. Joe Menze

Dear Mr. Menze,

Thank you for submitting your Connecting Michigan Communities grant application. During the initial review of your application the following issues, incomplete, and/or missing documentation have been identified that must be remedied in order for your application to move forward. Additional information may be requested at a later time throughout the grant review process.

Please make your corrections to the appropriate documents and identify the amendments you have made in the space provided below. Return those documents along with this completed Request for Clarification (RFC) via email to <u>DTMB-CMICGrant@michigan.gov</u>. Do not return this RFC explaining the amendments without also updating and returning the relevant documents. Any questions should be submitted via email to <u>DTMB-CMICGrant@michigan.gov</u>.

Your completed RFC and amended documents must be submitted by Thursday, September 26, 2019, at 4:00 p.m. EST. No extensions shall be granted. Failure to respond to this request may affect the scoring of your application, including up to elimination of further consideration.

Confidential Treatment Form

- The enabling legislation establishes a comment and objection period which requires the Department to publish freedom of information act redacted grant applications, the proposed geographic service area(s), and the proposed broadband service speeds for each application that receives an award recommendation.
- Your response indicates confidential treatment for the entire application. You are required to explain the specific grounds in State or other applicable law which supports treatment of the material as confidential and provide a complete justification as to how the material falls within the scope of the applicable act or relevant case law.

Response:

Attached is an updated spreadsheet of the confidential information for to more accurately clarify what sections of the application must be kept confidential and what areas do not need to be:

CONFIDENTIAL INFORMATION FORM KCS 09-25-19

CMIC Grant RFC KEPS Technologies / dba / ACD Page 2

Attachment 3: Census Blocks

- Applicants must also attach a spreadsheet file of the census blocks that are part of the
 proposed service area. The spreadsheet should contain the census block identification
 number, total number of households, number of unserved households, whether the applicant
 will provide service to the whole census block or only part, and whether the census block is
 wholly or partially contained within the proposed service area.
- The census block document did not indicate if they are wholly or partially contained within the proposed service area or if they would be wholly or partially served by the proposed service.
- Please return this document in a .xlsx file format.

Response:

ACD believes that the most reliable form of data to determine the lack of service coverage is the actual end-user experience, as providers have an obvious incentive to exaggerate coverage to their own benefit, and the FCC data automatically increases the coverage area incorrectly.

Thus, in preparation for the CMIC grant application, ACD sent 5700 letters to residents of northern and eastern Barry County and received 380 survey responses indicating that end-users themselves ascertained that they did not have access to 10/1 broadband service or any reliable service at all. This end-user assertion conflicts with service provider submitted data. Hundreds of end-users would have to be lying that they have options available.

ACD designed the service area based upon the actual end-user submissions. The areas that ACD applied for indicated that, according to the end-users that these areas are in fact underserved.

ACD has continued its data collection even post grant submission. This speed testing is available at <u>www.acd.net/barryfiber</u>, which records the customers speed and where they are located at to continue to affirm the coverage areas.

Additionally the service coverage area that ACD submitted on local officials and community representatives indicate to ACD that it was their knowledge that service was not available to the areas we applied for.

Even in the event that if some of the census blocks can be partially served (which according to the endusers is false), the fact is that the current technology deployed by Wireless ISP's cannot provide consistent service at 10/1 speeds due to spectrum limitations to all of the end-users that want or need service in a geography during peak times.

Said another way, if multiple end-users actually use the provisioned bandwidth, they are unable to get that bandwidth, as one end-users utilization of the bandwidth of it interferes with the other end-users bandwidth. Numerous comments by end-user indicated that contention was a problem and that stated bandwidth speeds of 8/1 or other requested speeds were not providing the advertised speeds. Our online speed testing indicates that this is factually accurate.

Of the census blocks that ACD submitted, ACD intends to serve the entire census blocks. If ACD finds that service is available in part of the census block, minor refinements can be made to serve less than the entire census blocks. ACD has submitted an updated spreadsheet that indicates that.

CMIC Grant RFC KEPS Technologies / dba / ACD Page 3

- Applicants should demonstrate their financial viability by providing relevant financial information for the previous three years of business operations. Relevant financial information may include, but is not limited to, annual reports, balance sheets, Form 10-K, Form 10-Q, income statements, and/or audited financial statements. Confidential information may be submitted and should be so marked.
- Audited financial statements were only provided for 2016 and 2017.

Response: Attached are the financial statements for 2015 which comprises of three years of statements.

2018 financial statements audits are underway, and ACD can provide those as well in the future.



STATE OF MICHIGAN

DEPARTMENT OF TECHNOLOGY, MANAGEMENT & BUDGET

LANSING

GRETCHEN WHITMER GOVERNOR TRICIA L. FOSTER DIRECTOR

Connecting Michigan Communities Grant Application Request for Clarification

December 3, 2019

Company Name: KEPS Technologies / dba / ACD Application Proposal: Barry County FiberNet Application Contact: Kevin Schoen

Dear Mr. Schoen,

Thank you for submitting your Connecting Michigan Communities (CMIC) grant application. During the review of your application, it was found that some locations to be served in your proposed service area overlap census blocks that are designated for funding from the FCC's Connect America Fund. Public Act 618 of 2018, Sec. 806¹, the legislation that created the CMIC grant, states the CMIC Grant program cannot provide funding for locations in census blocks that have been selected to receive Connect America Funds:

(8) The department shall not award a grant to an applicant if verifiable information is made available that shows any of the following: (d) The project includes an area that has been selected to receive, provisionally or otherwise, Connect America Funds from the Federal Communications Commission.

The following is an analysis of your proposed census block service areas and those included in the Connect America Fund². The attached map shows the census blocks identified in your application that are proposed for service and the census blocks selected to receive Connect America Funds.

Total housing units in the census blocks in your proposed service area based on the 2010 Census:	1,185
Total locations to be served per your application (homes, businesses, and institutions):	1,266
Total housing units in CAF Funded Census Blocks in your proposed service area:	11
Estimated housing units in your proposed service area outside of Connect America Fund Census Blocks based on the 2010 Census:	1,174

Considering the CMIC grant cannot fund areas selected to receive Connect America Funds, the CMIC Steering Committee is offering the following options for applicants:

- 1) Submit revised application documents to reflect a proposed service area that does not include census blocks selected for Connect America Funds;
- 2) Validate there are no changes to your original application; or
- 3) Withdraw your application from consideration.

¹ <u>http://www.legislature.mi.gov/documents/2017-2018/billenrolled/Senate/pdf/2017-SNB-0601.pdf</u>)

² A list of all Connect America Fund census blocks can be found here: <u>https://www.michigan.gov/documents/dtmb/Michigan Census Blocks CAF 650783 7.xlsx</u>).

If you choose to submit revised application documents that reflect a proposed service area which does not include census blocks selected for Connect America Funds, this completed Request for Clarification (RFC) document along with the identified attachments must be received via email to <u>DTMB-</u> <u>CMICGrant@michigan.gov</u> by Friday, December 13, 2019.

Revised Application Summary								
Original Application Revised Application								
Households to be served	1134	1144						
Businesses to be served	125	120						
Community Anchor Institutions to be served	2	2						
Total Project Cost	7,750,000	7,750,000						
Total Grant Request	4,950,000	4,950,000						
Total Matching Funds	2,800,000	2,800,000						

Revised Attachment 1

Applicant must provide a map of proposed service area that excludes CAF funded census blocks in PDF format (including both last mile coverage and middle mile routes). Revised applications cannot include locations to be served that were not part of your original application.

The spreadsheet of the served census blocks contained some minor errors, which have been corrected in this submission.

The map information and financial information did not have those same errors. Those files are reincluded for reference only and have not been modified.

Further detailed explanation is in the next question for clarity.

Revised Attachment 3

Applicant must provide a spreadsheet of census blocks in XLS or XLSX format identifying the locations served that are part of the non-CAF proposed service area using the following heading format. Revised applications cannot include locations to be served that were not part of your original application. If you feel there is a discrepancy between the figures as reported in the 2010 Census and actual number of housing units, please explain in the response field of this section in addition to completing the required spreadsheet.

Census Block ID	Total Number of Households to be Served	Is Service Provided to Whole or Part of Census Block? Y/N	Is Census Block Wholly Contained Within Service Area? Y/N
See attached	to be served	CETISUS DIOCK: 1/11	Aled: I/N
spreadsheet			

Response:

CMIC Grant RFC – ACD.net December 3, 2019 Page 3

- Census Block 26015 011400 3044 was included in error in the spreadsheet, but was not used for calculating the quantity of homes according to our data. This census block according to our data set has no residential locations, and appears to be principally an industrial / business district thus this has slightly modified the number of businesses in our application. It has been removed from our grant application as our data indicates that this is a CAF funded area. ACD has included an image for clarity of that modification embedded in this form at the end.
- Census Block 26015 010200 3003 was included in error in the spreadsheet, but was not used for calculating cost to build the network in our data. This census block is substantially out of the way and was in the spreadsheet in error. The census block according to our data has 4 residential locations. ACD has removed this census block from the application. ACD has included an image for clarity of that modification embedded in this form at the end.
- Census Block 26015 010200 1045 had an incorrect number for the quantity of households, this has been corrected.
- Census Block 26015 010200 1046 was transposed with 1045, this has been corrected.

These corrections modified the estimated quantity of households to be served by +10 and decreased the number of businesses to be served by -5 in our application.

[NOTE: There is some minor differenced in the estimated households served that CMIC has provided on the cover letter and what ACD has on its census spreadsheet and totals that we came up with. The difference is 30 units. The variance may be attributable to the variance related to what is considered to be an occupied housing unit and what may be an unoccupied housing unit at the time that the census was taken, or may be related to what is a considered to be a business location vs what may be considered to be a residential location, as number of locations in a residential area in rural areas may be dual use business/residential locations, such as home based businesses.

While not material to the application and the cost, ACD will serve the any unserved households that exist at the time of construction, and as new housing units or business appear ACD will serve those locations as well.]

An updated spreadsheet is attached.

Revised Attachment 9

Applicant must provide a revised five-year, stand-alone project financial plan/forecast that includes only locations within the proposed service area and does not include census blocks selected for CAF.

Response:

The error in our application was in the excel spreadsheet related to the census block and does not materially affect the initial financial calculus of our application, however it slightly affects the go forward projections as the customer quantities are slightly different.

The numbers placed below are the same as included in our original application.

Revised Project Budget

Applicant must complete this table to provide a revised project budget that includes only locations within the proposed service area and does not include census blocks selected for CAF.

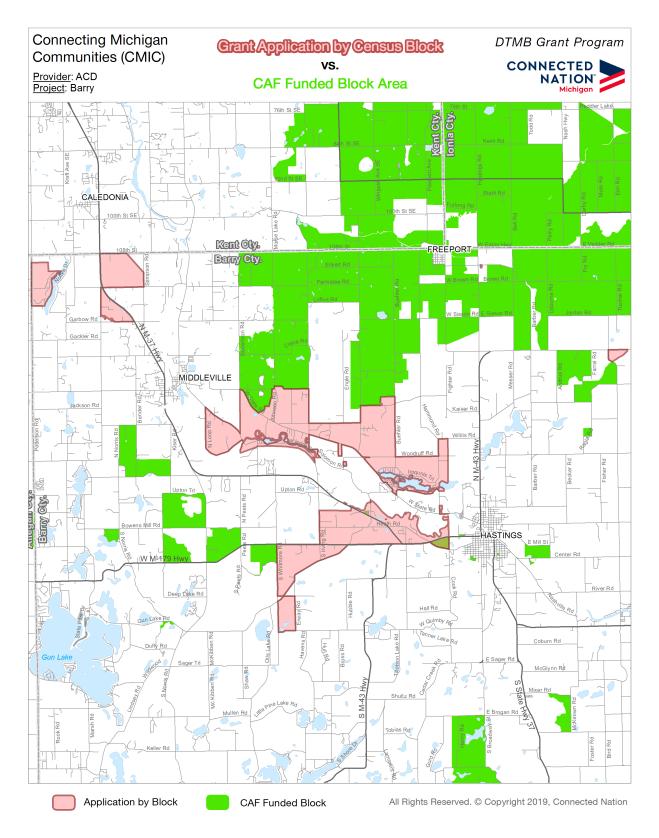
Use of Funds	Match Amount	Grant Amount	Total
Buildings and Labor	\$0.00	\$200,000.00	\$200,000.00
Last Mile Construction Labor	\$0.00	\$2,500,000.00	\$2,500,000.00
Middle Mile Construction Labor	\$0.00	\$450,000.00	\$450,000.00
Construction Material	\$0.00	\$940,000.00	\$940,000.00
Customer Premise Equipment	\$200,000.00	\$0.00	\$200,000.00
Customer Premise Installation	\$0.00	\$420,000.00	\$420,000.00
Electronics	\$0.00	\$440,000.00	\$440,000.00
Permits	\$260,000.00	\$0.00	\$260,000.00
Professional Services and Engineering	\$540,000.00	\$0.00	\$540,000.00
Other: Contributed Middle Mile	\$1,800,000.00	\$0.00	\$1,800,000.00
Other:			
	\$7,750,000.00		

This completed RFC and revised attachments must be received via email to <u>DTMB-</u> <u>CMICGrant@michigan.gov</u>. Do not return this document with your responses without also updating and returning the relevant attachments listed above. Any questions should be submitted via email to <u>DTMB-</u> <u>CMICGrant@michigan.gov</u>.

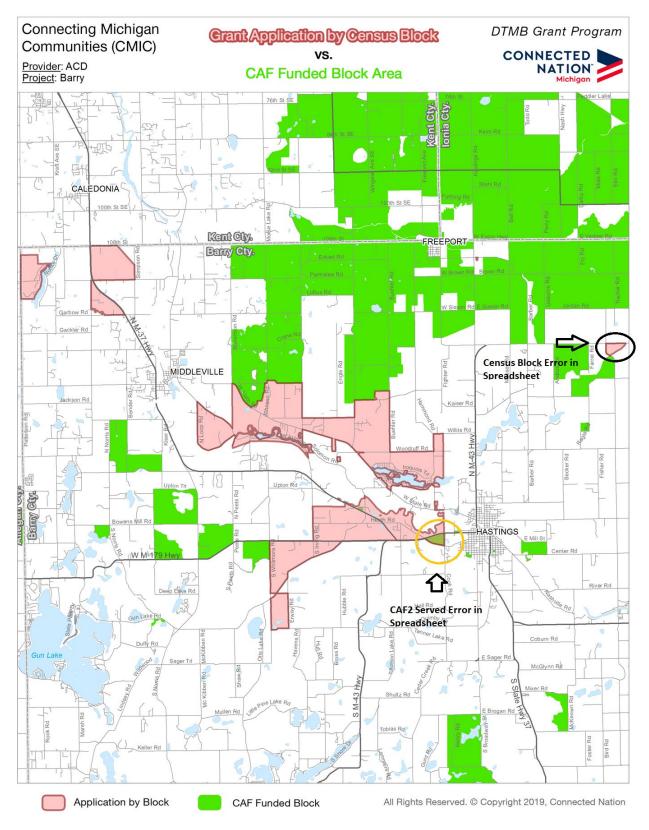
To validate there are no changes to your original application, you must send an email to <u>DTMB-</u> <u>CMICGrant@michigan.gov</u> with the phrase, "Validate No Changes to Application" followed by your company name and name of the project in the subject line.

To withdraw your application from consideration, you must send an email to <u>DTMB-</u> <u>CMICGrant@michigan.gov</u> with the phrase, "Withdraw Application" followed by your company name and name of the project in the subject line.

Your response, including Validation, Withdrawal, or completed RFC and amended Attachments must be received via email to <u>DTMB-CMICGrant@michigan.gov</u> by Friday, December 13, 2019, at 3:00 p.m. EST. No extensions shall be granted. You will receive an email confirmation of your submission. If you have not received a confirmation receipt by December 20, 2019, you must contact the CMIC Grant Program Office at (517) 335-3727. Failure to respond to this request may affect the scoring of your application, including up to elimination of further consideration.



GEORGE W. ROMNEY BUILDING • 111 SOUTH CAPITOL AVENUE • LANSING, MICHIGAN 48933 www.michigan.gov/CMICGrant • 517-335-3727



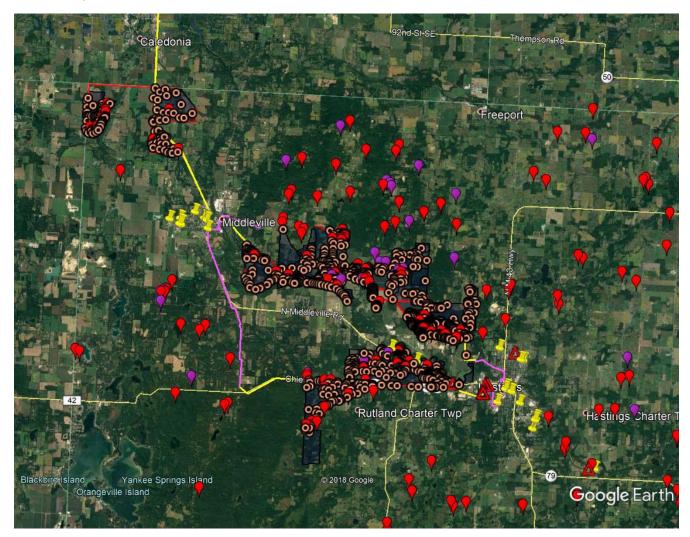
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Barry County Fiber Network Deployment Map

Legend:

- Orange Circles are homes.
- Yellow Pins are Educational Entities. Red Deltas are Healthcare Entities.
- Yellow is existing contributed Middle Mile Routes from ACD
- Purple is new middle mile routes to be built.



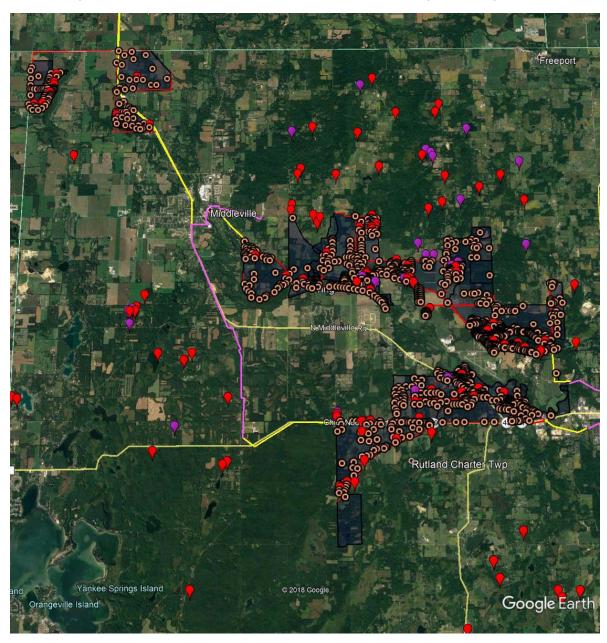


Barry County Survey Data

ACD surveyed 5,700 residents in Barry County via a letter, and web response located at <u>www.acd.net/barryfiber</u>. The data contained therein is provided. We know the service area does not have acceptable broadband.

Legend:

- Red Pins: End users that indicated that 10/1 service was not available
- Purple Pins: End users that indicated that satellite was the only feasible option

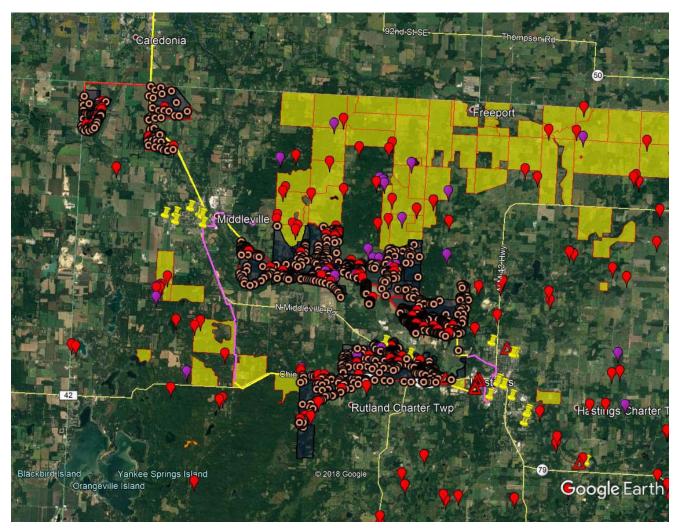




Barry County Survey Data with CAF 2 Locations that have been approved

Legend:

• Yellow areas, ACD did not apply for despite end-users indicating underserved speeds, as these areas are supposed to be addressed with CAF2 Funding mechanism



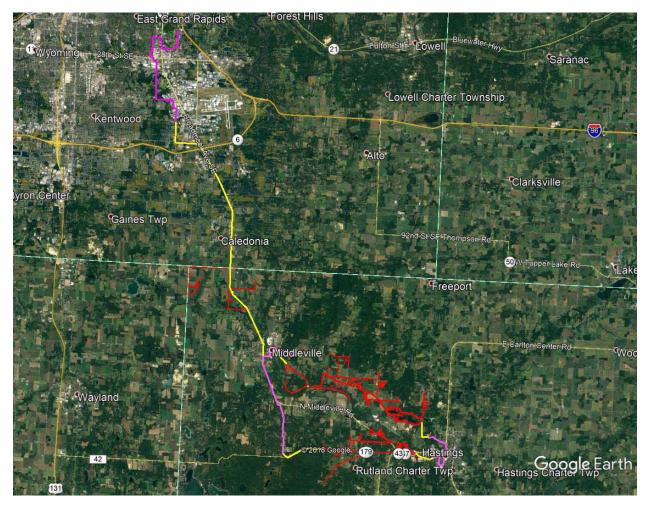


Barry County Backbone Fiber Routes Only (not including drops to customers houses or businesses)

In order to provide Gigabit Fiber services, high capacity fiber must be built into Barry County. ACD has extensive network infrastructure in the Grand Rapids Metro market, and that is the closest market to bring backbone grade fiber into Barry County. Customers will be able to obtain gigabit speed services.

Legend:

- Red lines are new customer distribution fiber routes (not including drops to customer houses, businesses or CAI's).
- Purple are contributed backbone routes from ACD's network infrastructure that was built 2-4 years ago (was built primarily to support cell tower to cell tower connectivity). Substantial cost savings exist due to ACD's contribution, increasing financial viability for the project.
- Yellow lines are new middle mile routes to be built to support the project.



Barry County Phase I	Total Homes		1144
Census Blocks	# of Homes to be	e served Tota	Is Service Provided to Whole or Part of al Census Block? Y/N
26015 010200	1045	31	Y
	1046	14	Y
	1047	33	Y
	1048	2	Y
	1055	16	Y
	1057	17	Y
	1058	6	Y
	1059	12	Y
	1060	10	Y
	1068	38	Y
	1069	5	Y
	1072	8	Y
	1073	13	Y
	1074	1	Y
	1075	28	Y
	1079	2	Y
	1082	1	Y
	1092	11	Y
	1093	5	Y
	1094	4	Y
	1097	8	Y
	1098	24	Y
	1099	13	Y
	1100	4	Y
	1101	1	Y
	2012	1	Y
	2058	11	Y
Total # of Homes for Ma	ajor Census Area		319
Census Blocks	# of Homes		
26015 010300	1004	21	Y
	1007	28	Y
	1008	8	Y
	1037	75	Y
	2007	20	Y
	2011	32	Y
	4053	44	Y
Total # of Homes for Ma			228
Census Blocks	# of Homes		

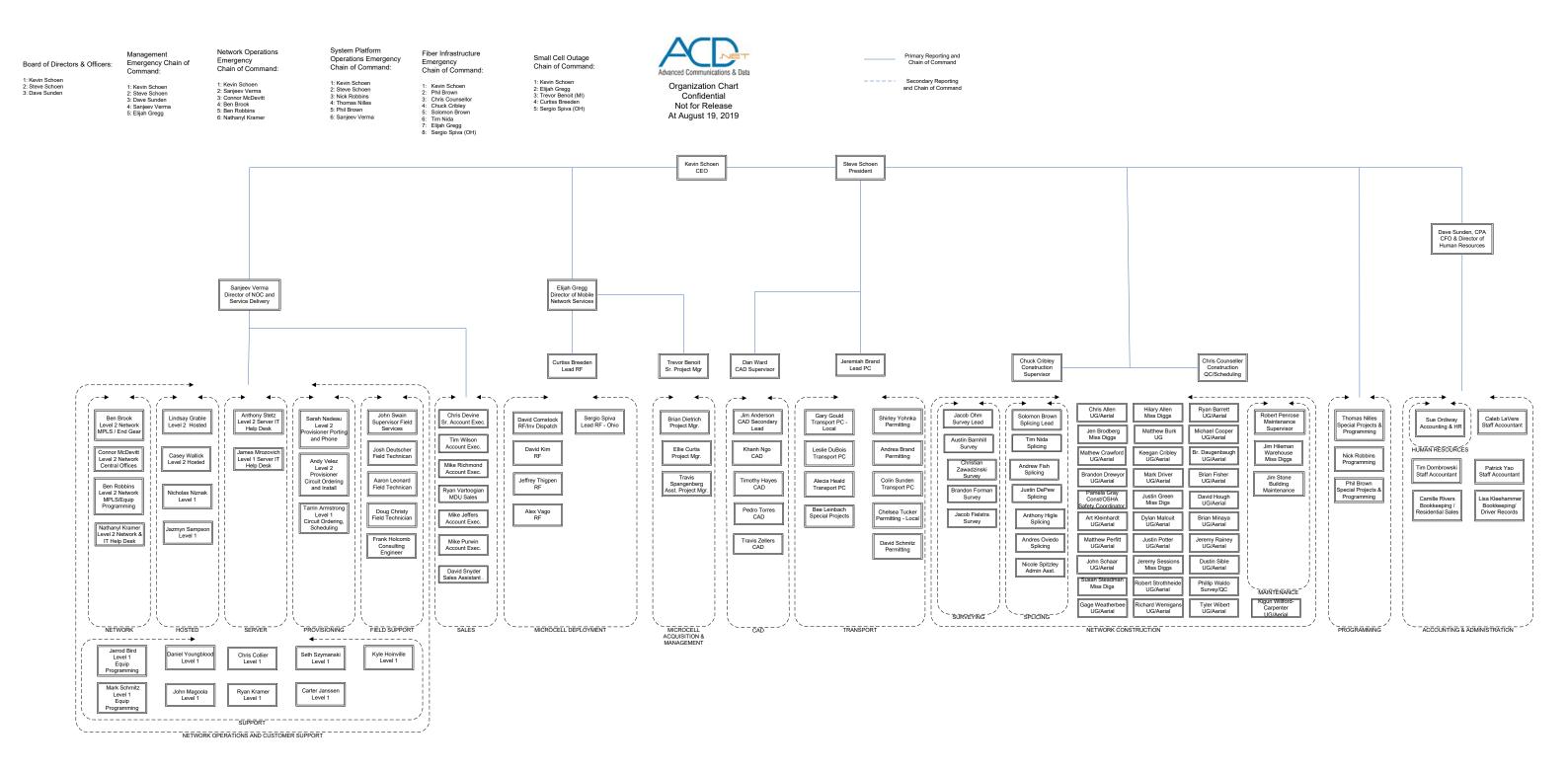
26015	011400	1001	10	Y	
		1014	2	Y	
		1038	0	Y	
		1043	38	Y	
		1044	10	Y	
		1045	10	Y	
		1046	16	Y	
		1048	26	Y	
		2006	0	Y	
		2007	21	Y	
		2008	2	Y	
		2010	1	Y	
		2011	3	Y	
		2021	1	Y	
		2022	16	Y	
		2025	27	Y	
		2026	101	Y	
		2031	2	Y	
		2032	9	Y	
		2034	4	Y	
		2035	8	Y	
		2036	12	Y	
		2038	6	Y	
		2039	27	Y	
		2041	6	Y	
		2043	6	Y	
		2044	7	Y	
		3012	1	Y	
		3027	50	Y	
		3029	0	Y	
		3044	0	Y	
		3047	34	Y	
		3048	22	Y	
		3049	15	Y	
		3050	6	Y	
		3051	19	Y	
		3052	11	Y	
		5005	14	Y	
		5006	52	Y	
		5014	2	Y	
otal # of H	omes for N	lajor Census Area		597	

Is Census Block Wholly	
Contained Within Service	
Area? Y/N	
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Key Personnel of KEPS Technologies, Inc. d/b/a ACD.net As of July 31, 2019

Kevin C. Schoen – Chief Executive Officer

In 1994, Kevin founded KEPS Technologies, d/b/a ACD.net ("ACD"), an Internet Service Provider. In 1999, Kevin founded ACD Telecom, Inc., a licensed local exchange carrier operating out of Lansing. Under Kevin's guidance, ACD Telecom grew to become one of the largest Competitive Local Exchange Carriers ("CLEC") in Michigan, constructing and operating an extensive fiber optic network throughout Michigan, Indiana and Ohio.

Steven E. Schoen - President

In 1994, Steven founded KEPS Technologies, d/b/a ACD.net, an Internet Service Provider. In 1999, Steven founded ACD Telecom, Inc., a licensed local exchange carrier operating out of Lansing. Under Steven's guidance, ACD Telecom grew to become one of the largest competitive providers in Michigan, constructing and operating an extensive fiber optic network throughout the State. Steven holds a Bachelor in Marketing degree from Michigan State University.

David M. Sunden, CPA – Chief Financial Officer & Director of Human Resources

David has over 30 years of public and private accounting experience including 12 years as a Senior Manager with BDO, the sixth largest accounting firm in the world. David has significant experience with accounting and auditing, financial reporting and analysis, business management, tax planning and compliance for companies in a variety of industries from those closely held to operations with annual revenues in the billions. David has served as ACD's CFO for over 3 years. David has been a Certified Public Accountant since 1991 and holds a Bachelor of Business Administration degree from Grand Valley State University.

Sanjeev Verma - Director of Network Operations and Service Delivery

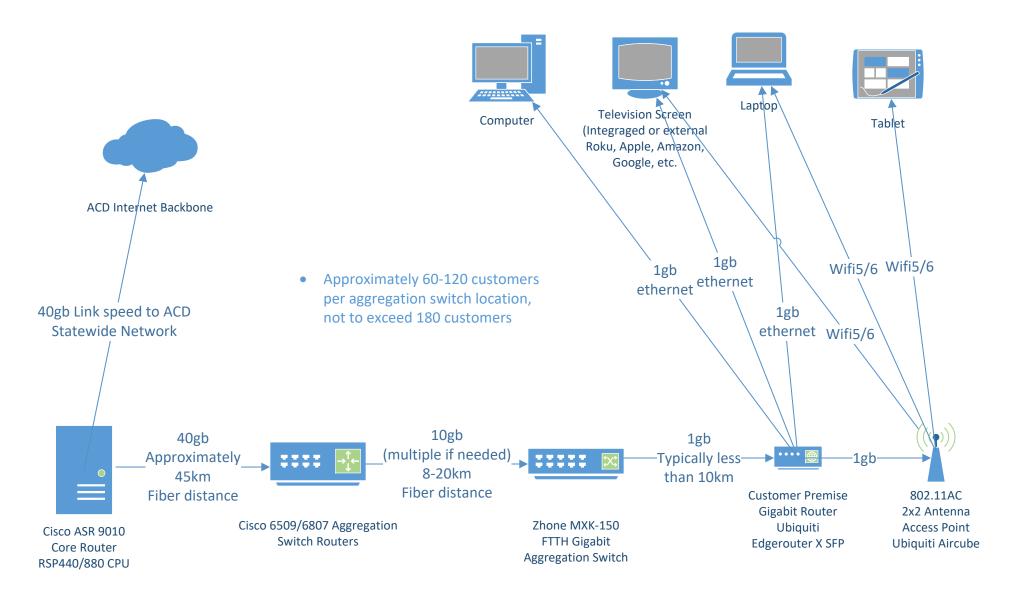
Sanjeev has 20 years of experience managing customer technical support centers in India for Dell, IBM, and various other companies as well as for ACD. Sanjeev has extensive knowledge regarding telecommunications routing, switching, and most aspects of data networking. Sanjeev has been managing approximately 35 people at ACD and ACD Telecom. Sanjeev holds a graduate engineering degree from an Indian University.

Elijiah Gregg – Director of Mobile Network Services

Elijiah has 25 years in construction experience in the communications and data networking industry. Prior to working at ACD and ACD Telecom, managed his own contracting firm providing services to various entities. Eli manages a department of 15 people that build cell sites, fiber networks and has extensive cost management and cost control experience.

ACD.NET NETWORK TOPOLOGY FOR BARRY COUNTY FIBER TO THE HOME KCS 08-05-19

Each customer is capable of gigabit speeds.





Barry County Fiber Network Capex Uses and Sources

5 Year Budget

	Match	Grant							
Use of Funds	Amount	Amount	Total	2020	2021	2022	2023	2024	Total
Buildings and Labor (huts and cabinets)		200,000	200,000	60,000	140,000	-	-	-	200,000
Last Mile Construction Labor		2,500,000	2,500,000	416,667	1,666,667	416,667	-	-	2,500,000
Middle Mile Construction Labor		450,000	450,000	135,000	315,000	-	-	-	450,000
Construction Material		940,000	940,000	282,000	658,000	-	-	-	940,000
Customer Premise Equipment	200,000)	200,000	-	114,286	85,714	-	-	200,000
Customer Premise Install		420,000	420,000	-	240,000	180,000	-	-	420,000
Electronics		440,000	440,000	-	251,429	188,571	-	-	440,000
Permits	260,000)	260,000	156,000	104,000	-	-	-	260,000
Professional Services and Engineering	540,000)	540,000	270,000	202,500	67,500	-	-	540,000
Other: Contributed Middle Mile Network	1,800,000		1,800,000	1,800,000	-	-	-	-	1,800,000
ACD Cash and In-Kind Network	2,800,000	0		2,226,000	420,786	153,214	-	-	2,800,000
Grant Amount		4,950,000		893,667	3,271,095	785,238	-	-	4,950,000
Total Cost			7,750,000	\$ 3,119,667			- \$	-	\$ 7,750,000
New customers during the year				-	149	260	223	112	744
New customers pro-rated based on average start date	e of July 1			50%	50%	50%	50%	50%	
Pro-rated New Customers				-	75	130	112	56	
Prior year cumulative customers				-	-	149	409	632	
Pro-rated customers served for the year				-	75	279	521	688	
Monthly charges per customer:									
	Gigabit Fib			70	70	70	70	70	
	Ancillary S	ervices		15	15	15	15	15	
	Total			85	85	85	85	85	
Months				12	12	12	12	12	
Annual charges per customer				1,020	1,020	1,020	1,020	1,020	
Annual charges - total				\$ - 9	\$ 75,990 \$	284,580 \$	530,910 \$	701,760	\$ 1,593,240
Direct labor and overhead cost				41,600	83,200	166,400	249,600	249,600	790,400
Support labor and overhead cost				41,600	83,200	124,800	166,400	166,400	582,400
Infrastructure - Depreciation, maintenance, etc.				110,000	110,000	110,000	110,000	110,000	550,000
Vehicles - Depreciation, gas, repair, etc.				25,000	25,000	25,000	25,000	25,000	125,000
Interest				28,750	28,750	28,750	25,156	17,969	129,375
Total direct expenses				246,950	330,150	454,950	576,156	568,969	2,177,175
Annual charges over (under) total direct expenses				\$ (246,950) \$	\$ (254,160) \$	(170,370) \$	(45,246) \$	132,791	\$ (583,935

5 Year

STATUTORY DECLARATION

The State of M)	
) S.S.
County of MI	INDIAM)

I, KEVIN SCHOEN, of Haslett, Michigan, DO SOLEMNLY DECLARE THAT:

1. ACD certifies that it will provide service to Barry County at the stated costs in the Barry County Fiber Network coverage area for a minimum period of 5 years.

All statements made are of my own knowledge and are true and that all statements made on information and belief are believed to be true.

I declare under penalty of perjury that the foregoing is true and correct. Executed on this 21st day of August, 2019.

STATE OF MICHIGAN

.

COUNTY OF MI INGHAM

SUBSCRIBED AND SWORN TO BEFORE ME, on the 21st day of August, 2019

NOW Signatur sand (Seal)

NOTARY PUBLIC My Commission expires:

M SHANNON FOHLBROOK
NOTARY PUBLIC - STATE OF MICHIGAN
COUNTY OF EATON
My Commission Expires August 19, 2024
Acting in the County of INGHOM

(Signature)

KEVIN SCHOEN



Connecting Michigan Communities Grant Application Design Certification

I hereby certify that the proposed infrastructure is scalable to meet the anticipated future connectivity demands of the proposed service area and is capable of delivering Gigabit broadband services to the premises in the proposed funded service area.

In addition, the budgetary engineering designs, diagrams, maps and other supporting documents detailing the proposed project clearly demonstrate the applicant's complete understanding of the project and ability to provide the proposed solution.

August 29th, 2019



Brally & Te

Certifying Engineer's Signature

Bradley J. Feir Certifying Engineer's Name (Printed)

State of Registration: <u>MI</u>

BARRY COUNTY

BOARD OF COMMISSIONERS

220 W. State St., Hastings, MI 49058 Ph. (269) 945-1284 Fax (269) 948-4884



August 21, 2019

Dear Grant Administrator,

Please consider this letter of support for ACD's application to explore improvements for enhanced Broadband access and performance for Barry County. The expansion of high-quality broadband communications infrastructure and service is essential to the future prosperity of our community and organization.

Barry County's proximity to four larger metropolitan areas - Grand Rapids, Kalamazoo, Lansing and Battle Creek – comes with numerous benefits. However, these larger surrounding communities have the benefit of significantly better broadband infrastructure. Our community needs better broadband service in order to stay competitive and growing.

In many areas of Barry County, service fails to meet the federal and state minimum standards of 10mb/s down and 1mbs/s up. Furthermore, in some areas there is zero service available. These challenges come with severe negative impacts to essentially all sectors of our community: residents, students, businesses, healthcare, emergency services, agriculture and government services. It hinders growth and stifles prosperity in the small communities that make up the backbone if our state.

Broadband is constant topic of concern for our citizens. The lack of broadband impacts the county in many ways, including difficulty recruiting employees, attracting business development, and encouraging development of necessary housing within the county.

In today's connected world, quality broadband service is no longer a luxury. It is essential.

We urgently request that you carefully review the ACD application to improve broadband for Barry County and give it your highest consideration. We are committed to working closely with all partners to make sure the project is a success.

If we can be of any assistance as you review the application, please feel free to contact us.

Respectfully,

Heather Wing, Chair Barry County Board of Commissioners



Barry County CHAMBER OF COMMERCE & Economic Development Alliance 221 W. State Street Hastings, MI 49058 269.945.2454 www.mibarry.com

August 14, 2019

Dear Grant Administrator:

I am writing this letter in support of ACD's application to explore improvements for enhanced Broadband access and performance for Barry County. The expansion of high-quality broadband communications infrastructure and service is essential to the future prosperity of our community's businesses, schools and residents – as well as our organization. We are confident in ACD's capabilities of enhancing broadband service for the rural areas of Barry County.

With an approval of their application, ACD's work to pursue an expanded broadband network will enable us to overcome geographical distances, empower us through information, and bring the world to us through the touch of a keyboard. As an underserved rural area with limited modern Internet services, we face many challenges including limited medical resources and distance between patients, physicians, specialists and facilities. In addition, because of the rural nature of our area, our students do not receive equitable broadband resources as other students in more urban learning centers. Our community currently lacks the research, distance learning, video and other tools that advanced broadband can bring to a rural school.

In our economic development work, we routinely receive reports that a lack of quality broadband infrastructure in rural Barry County is stifling residential growth, which in turn results in workforce challenges for our area employers, reduced customers for our independent businesses and stunted growth for our local school districts. For these reasons and more, it is imperative that broadband grant funding be obtained to provide much needed broadband service to our area.

We strongly urge you to carefully review the ACD application to improve broadband for Barry County and give it your highest consideration. We are committed to working closely with all partners to make sure the project is a success. Not only will this help with sustaining the future of advanced broadband services in Barry County, but will promote the future economic prosperity of our community.

Sincerely,

Travis B. Alden President, Barry County Chamber of Commerce & Economic Development Alliance



August 15, 2019

Bradford White Corporation Peter Kattula, Vice President of Operations 200 Lafayette Street Middleville, MI, 49333

Dear Grant Administrator,

Please consider this letter of support for ACD's application to explore improvements for enhanced Broadband access and performance for Barry County. The expansion of high-quality broadband communications infrastructure and service is essential to the future prosperity of our community and organization.

Barry County's proximity to four larger metropolitan areas - Grand Rapids, Kalamazoo, Lansing and Battle Creek – comes with numerous benefits. However, these larger surrounding communities have the benefit of significantly better broadband infrastructure. Our community needs better broadband service in order to stay competitive and growing. Bradford White Corporation is one of Barry County's largest employers, with over 1500 employees. We have a long-standing partnership with Barry County and its commitment to advancing the quality of life for the people in the community.

In many areas of Barry County, service fails to meet the federal and state minimum standards of 10mb/s down and 1mbs/s up. Furthermore, in some areas there is zero service available. These challenges come with severe negative impacts to essentially all sectors of our community: residents, students, businesses, healthcare, emergency services, agriculture and government services. It hinders growth and stifles prosperity in the small communities that make up the backbone if our state.

Broadband is constant topic of concern for our current employees who reside in Barry County and for recruiting new employees who might otherwise consider moving to Barry County. The lack of broadband impacts us by being an unnecessary negative consideration in recruiting employees who relocate for work, it also is a major consideration for our suppliers who might consider a satellite operation near our factory.

In today's connected world, quality broadband service is no longer a luxury. It is essential.

We urgently request that you carefully review the ACD application to improve broadband for Barry County and give it your highest consideration. We are committed to working closely with all partners to make sure the project is a success.

If we can be of any assistance as you review the application, please feel free to contact us.

Respectfully,

Pt p. Kitts

Peter Kattula, Vice President of Operations pkattula@bradfordwhite.com 269-795-3364

Built to be the Best[™]

August 16, 2019

Dewey's Auto Body, Inc David Solmes, President 1111 W. Green St. Hastings, MI 49058

Dear Grant Administrator,

Please consider this letter of support for ACD's application to explore improvements for enhanced Broadband access and performance for Barry County. The expansion of high-quality broadband communications infrastructure and service is essential to the future prosperity of our community and organization.

Barry County's proximity to four larger metropolitan areas - Grand Rapids, Kalamazoo, Lansing and Battle Creek – comes with numerous benefits. However, these larger surrounding communities have the benefit of significantly better broadband infrastructure. Our community needs better broadband service in order to stay competitive and growing.

In many areas of Barry County, service fails to meet the federal and state minimum standards of 10mb/s down and 1mbs/s up. Furthermore, in some areas there is zero service available. These challenges come with severe negative impacts to essentially all sectors of our community: residents, students, businesses, healthcare, emergency services, agriculture and government services. It hinders growth and stifles prosperity in the small communities that make up the backbone if our state.

Broadband is constant topic of concern for our organization. The lack of broadband impacts us by not being able to recruit employees.

In today's connected world, quality broadband service is no longer a luxury. It is essential.

We urgently request that you carefully review the ACD application to improve broadband for Barry County and give it your highest consideration. We are committed to working closely with all partners to make sure the project is a success.

If we can be of any assistance as you review the application, please feel free to contact us.

Respectfully,

D-ID. Solar

David Solmes, AAM dsolmes@deweysautobody.com, 269-945-4915



April 19, 2019

Lynn Denton President The Lynn Denton Agency Inc. 139 W State St Hastings MI 49058

Dear Grant Administrator,

Please consider this letter of support for ACD's application to explore improvements for enhanced Broadband access and performance for Barry County. The expansion of high-quality broadband communications infrastructure and service is essential to the future prosperity of our community and organization.

Barry County's proximity to four larger metropolitan areas - Grand Rapids, Kalamazoo, Lansing and Battle Creek – comes with numerous benefits. However, these larger surrounding communities have the benefit of significantly better broadband infrastructure. Our community needs better broadband service in order to stay competitive and growing.

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Broadband is constant topic of concern for our Customers, Employees and Business Partners. The lack of broadband impacts us by not being able to recruit employees, improve education, perform online transactions and marketing our products and service.

In today's connected world, quality broadband service is no longer a luxury. It is essential. We urgently request that you carefully review the ACD application to improve broadband for Barry County and give it your highest consideration. We are committed to working closely with all partners to make sure the project is a success and put in place as soon as possible.

If we can be of any assistance as you review the application, please feel free to contact us. Respectfully,

Lynn Denton President The Lynn Denton Agency Inc. Identon@fbinsmi.com 269-945-4520

Kevin Schoen

From:	deb button <debbutton@att.net></debbutton@att.net>	
Sent:	Friday, August 16, 2019 4:07 PM	
То:	Kevin Schoen; Travis Alden	
Subject:	grant letter of support	

August 16, 2019

Hodges Jewelry & Gifts Deb Button, Owner 122 W. State Street Hastings, Michigan 49058

Dear Grant Administrator

Please consider this letter of support for ACD's application to explore improvements for enhanced Broadband access and performance for Barry County. The expansion of high - quality broadband communications infrastructure and service is essential to the future prosperity of our community and organization.

Barry County's proximity to four larger metropolitan areas - Grand Rapids, Kalamazoo, Lansing and Battle Creek - comes with numerous benefits. However, these larger surrounding communities have the benefit of significantly better broadband infrastructure. Our community needs better broadband service in order to stay competitive and growing.

In today's connected world, quality broadband service is no longer a luxury, it is essential.

We urgently request that you carefully review the ACD application to improve broadband for Barry Countyand give it your highest consideration. We ae committed to working closely with all partners to make sure the project is a success.

Respectfully,

Deb Button Hodges Jewelry & Gifts 122 W. State Street Hastings, Michigan 49058



VILLAGE OF MIDDLEVILLE

August 16, 2019

Dear Grant Administrator,

Please consider this letter of support for ACD's application to explore improvements for enhanced Broadband access and performance for Barry County. The expansion of high-quality broadband communications infrastructure and service is essential to the future prosperity of our community and organization.

Barry County's proximity to four larger metropolitan areas - Grand Rapids, Kalamazoo, Lansing and Battle Creek – comes with numerous benefits. However, these larger surrounding communities have the benefit of significantly better broadband infrastructure. Our community needs better broadband service in order to stay competitive and growing

In many areas of Barry County, service fails to meet the federal and state minimum standards of 10mb/s down and 1mbs/s up. Furthermore, in some areas there is zero service available. These challenges come with severe negative impacts to essentially all sectors of our community: residents, students, businesses, healthcare, emergency services, agriculture and government services. It hinders growth and stifles prosperity in the small communities that make up the backbone if our state.

In today's connected world, quality broadband service is no longer a luxury. It is essential.

We urgently request that you carefully review the ACD application to improve broadband for Barry County and give it your highest consideration. We are committed to working closely with all partners to make sure the project is a success

If we can be of any assistance as you review the application, please feel free to contact us.

Respectfully

Tharles T Pulles.

Charles T. Pullen, Village President

269-795-3385

weeksd@villageofmiddleville.org

100 EAST MAIN STREET * P.O. BOX 69 * MIDDLEVILLE, MI 49333-0069 PHONE (269) 795-3385 * FAX (269) 795-8889



STATE OF MICHIGAN PO, BOX 30036 LANSING, MI 48909-7536 PHONE: (517) 373-2426 FAX: (517) 373-2964 senjbizon@senate.michigan.gov STATE SENATOR JOHN BIZON, M.D. Assistant Majority Caucus Whip 19th District CHAIR, FAMILIES, SENIORS, AND VETERANS COMMITTEE VICE CHAIR, HEALTH POLICY AND HUMAN SERVICES COMMITTEE MEMBER, APPROPRIATIONS COMMITTEE VICE CHAIR, APPROPRIATIONS SUBCOMMITTEE ON COMMUNITY HEALTH/HUMAN SERVICES MEMBER, APPROPRIATIONS SUBCOMMITTEE ON CAPITAL OUTLAY MEMBER, APPROPRIATIONS SUBCOMMITTEE ON UNIVERSITIES AND COMMUNITY COLLEGES

April 19, 2019

Dear Grant Administrator:

As a strong supporter of agriculture and rural development opportunities across the State of Michigan, we would like to offer a letter of support as Barry County, Michigan, submits to your department an application to assist in its current insufficient broadband service.

Barry County is a rural county surrounded by four larger metropolitan communities in West Michigan with much better access to broadband. Barry County's industries and residents have gone far too long without sufficient broadband infrastructure, and it leaves the county at a disadvantage when it comes to recruiting employers, improving education and executing its non-profit mission.

This grant would help the county make significant strides in providing access to its residents and business community. As we all know, limited access to information can leave a community behind in the 21st century.

Thank you for your consideration of this grant application. The awarding of this grant to Barry County could be the catalyst for providing quality internet service. Please contact either of our offices if you need any further information.

Sincerely,

John Bizon, M.IQ State Senator 19th District

Julie Calley State Representative 87th District







August 28, 2019

Spectrum Health Pennock 1009 West Green Street Hastings, MI 49058 269.945.3451 spectrumhealth.org/pennock

1

Dear Grant Administrator,

Please consider this letter of support for ACD's application to explore improvements for enhanced Broadband access and performance for Barry County. The expansion of high-quality broadband communications infrastructure and service is essential to the future prosperity of our community and organization.

Barry County's proximity to four larger metropolitan areas - Grand Rapids, Kalamazoo, Lansing and Battle Creek – comes with numerous benefits. However, these larger surrounding communities have the benefit of significantly better broadband infrastructure. Our community needs better broadband service in order to stay competitive and growing. Spectrum Health Pennock employs nearly 600 full-time and part-time employees making it the largest employer in Hastings and the second largest employer in the county.

In many areas of Barry County, service fails to meet the federal and state minimum standards of 10mb/s down and 1mbs/s up. Furthermore, in some areas there is zero service available. These challenges come with severe negative impacts to essentially all sectors of our community: residents, students, businesses, healthcare, emergency services, agriculture and government services. It hinders growth and stifles prosperity in the small communities that make up the backbone of our state.

Broadband is a constant topic of concern for our medical providers and patients. The lack of broadband impacts our hospital's ability to recruit talent. It impacts our medical providers who are unable to connect remotely to provide patient care and impacts our patients who are unable to connect to their own records, bill paying and appointment scheduling. Furthermore, Spectrum Health offers telemedicine visits, Spectrum Health Now, to increase access to patients who may not be able to travel or to have access to a doctor at times that work in their schedule. With limited access to internet, patients are forced to access care through our emergency department when the visit could have been handled virtually in the comfort of their home and at a lower cost than an expensive visit after hours to the emergency department. In today's connected world, quality broadband service is no longer a luxury, it is essential.

We urgently request that you carefully review the ACD application to improve broadband for Barry County and give it your highest consideration. We are committed to working closely with all partners to make sure the project is a success.

If we can be of any assistance as you review the application, please feel free to contact us.

Sincerely,

Angela Ditman

Angela Ditmar, MBA, BSN, RN President/Regional Market Leader

Barry County Broadband Survey

Your Survey ID: 4VZ8UXE

You can either return this letter or do the survey on-line at: <u>http://www.acd.net/barryfiber</u>

Your Name:
Address:
City, State Zip:
Phone Number (optional):
Email (optional):
How do you get Internet access now?
 None, because I do not need broadband None, because I cannot get any broadband service None, because the price is too high, or I cannot afford it Cable DSL Wireless Satellite Other Cell Phone Based Unknown
Who is your current provider?
What broadband speed are you currently receiving? (visit http://speedtest.acd.net to test your speed
What is the speed of the service you are paying for?
Can you get any faster speeds? If so what speeds are available in your area?
Do you feel your broadband is fast enough? Yes No
Is your broadband service reliable?YesNo
What price is your current broadband service per month? \$
Any other comments?

Please return this survey to the Barry County Chamber of Commerce or mail to:

ACD Re: Barry County Broadband 1800 N Grand River Ave Lansing, MI 48906

ACD.net

1800 N. Grand River Ave. Lansing, MI 48906 FIRST-CLASS MAIL U.S. POSTAGE PAID LANSING, MI PERMIT NO. 214

Dale A Kissinger 7914 W Loop Rd Middleville, MI 49333-8394

Broadband Survey: Your Response is Requested

Visit <u>www.acd.net/barryfiber</u>

Your Survey ID#: 4VZ8UXE





March XX, 2019

Your Survey ID:4VZ8UXE Dale A Kissinger 7914 W Loop Rd Middleville, MI 49333-8394

Dear Barry County Resident,

Would you like faster Internet service? You can help us to bring better broadband service to Barry County!

For over 25 years, ACD has served Michigan as a broadband provider based in Lansing and we have a successful track record in bringing fiber to residents and businesses across the state. We have recently met with Travis Alden and Cindy Vujea from the Barry County Economic Development Alliance and are now working with them to explore the potential to bring our service throughout Barry County.

To help you, we need to collect data related to the availability and speeds of broadband at your home or business today. This data will assist us in working with the State of Michigan to improving broadband speeds in your area. State and Federal funding is available to improve broadband in underserved areas, and according to data available, your house is underserved. In order to facilitate additional funding for improving broadband in your area, we need to collect data that shows that your home does not have as good of broadband that is in urban areas.

Please visit <u>http://www.acd.net/barryfiber</u> to respond online or respond to the survey enclosed with this letter and return it by April 20^{th.}

All of the data collected will be consolidated and made available to the Barry County EDA and potentially other interested providers upon request for deploying broadband in your area.

Thank you for taking the time to respond to these questions. This information will be very important to helping us improve broadband service to Barry County residents and businesses.

Respectfully,

Kevin Schoen, CEO ACD <u>schoen.kevin@acd.net</u> 517-999-3250 direct

ACD.net 1800 N. Grand River Ave. Lansing, MI 48906