



November 19, 2020

Senator Cecile Bledsoe, Co-Chair
Representative Jeff Wardlaw, Co-Chair
Arkansas Legislative Council
500 Woodlane Street
Little Rock, AR 72201

Dear Senator Bledsoe and Representative Wardlaw,

As required by Section 29 of Act 139 of 2020, I have enclosed five (5) Rural Broadband I.D. grant awards for approval by the Arkansas Legislative Council. The UAMS Institute for Digital Health & Innovation (IDHI) Technical Review Committee completed a thorough evaluation of the applications submitted by the cities and counties. I have enclosed copies of the successful applications with supporting information for your review.

Rural Broadband I.D. Grant Awards

Polk County – Primary Contact, Judge Brandon Ellison – Award Amount \$75,000
Howard County – Primary Contact, Judge Kevin Smith – Award Amount \$75,000
Arkansas County – Primary Contact, Judge Eddie Best – Award Amount \$75,000
City of Benton – Primary Contact, Mayor Tom Farmer – Award Amount \$40,000
City of Cabot – Primary Contact, Mayor Ken Kincade – Award Amount \$75,000

The grants are available to help cities, incorporated towns, counties and unincorporated communities conduct broadband due-diligence business studies. The studies are required in federal grant and loan applications for broadband infrastructure. Communities can use their broadband due-diligence business studies to apply for funding from:

The Federal Communications Commission's Rural Digital Opportunity Fund Program
The U.S. Department of Agriculture's Rural eConnectivity Pilot Program (ReConnect)
The U.S. Department of Agriculture's Farm Bill; and
Other federal grants or loans for broadband development programs.

Sincerely,

A handwritten signature in blue ink, which appears to read "J. A. Sanford Jr.".

Joseph A. Sanford Jr., M.D.
Interim Director
Institute of Digital Health and Innovation
University of Arkansas for Medical Sciences

Application for Rural Broadband and I.D Expenses Trust Fund Grant

Applicant:

Polk County Arkansas
507 Church St, Box 7
Mena AR 71953
479-394-8132
polkcojudge@sbcglobal.net
EIN: 71-6008466
Primary Contact: Judge Brandon Ellison

Amount Requested: \$75,000

Program Description:

Broadband service in our county is inadequate in most areas, as well as expensive and unreliable. We are in need of upgrades to the infrastructure, but because most of the county is rural, no new telecommunications companies have sought to enter our market and the existing providers have no pressure to upgrade their systems. The idea of getting involved as a county is not new, but we simply do not have the funds available or expertise to even do a preliminary study. Recently however, the county has been in contact with Pinnacle Telecom (Pinnacle) out of Fort Smith Arkansas. They certainly have the expertise to organize a feasibility study and with support from the State of Arkansas through this grant, we believe we will be able to fund the engineering efforts needed for a thorough study. To help reduce the overall cost through economies of scale, we are in talks with our neighboring county of Howard. They are in a similar situation with broadband as Polk county, and may be applying for this grant. The intention is to use the same engineering firm in both counties to reduce overall costs for each.

Project Narrative

Introduction:

The proposed service area is all of Polk County, to the extent that funding is available to reach all of our residents. Polk county is an extremely rural area with a population of approximately 20,000. The largest city in the county is Mena which has a population of 5,500 accounting for just over one forth the residents of the entire county. The next largest incorporated town is Wickes, and with a population of only 750 residents, it can hardly be considered urban. According to the Federal Communications Commission (FCC) broadband maps (see Figure 1) 37% of the residents do not have access to minimally acceptable broadband which is defined as 25Mbps download speed and 3Mbps upload speed. An additional 57%, mostly in the town of Mena, have minimal broadband from only one provider making it quite expensive.

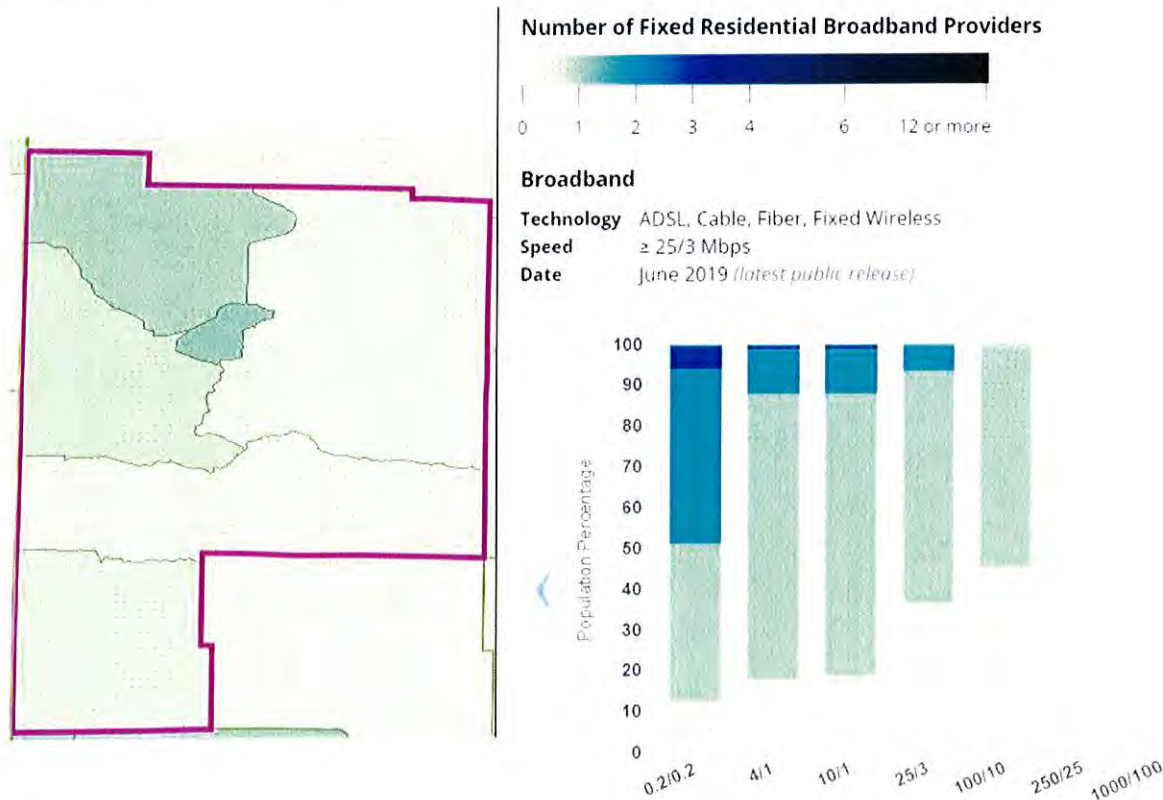


Figure 1: Howard County Broadband Coverage

According to the FCC Rural Digital Opportunity Fund (RDOF) 904 auctions maps (see Figure 2), approximately seventy-five (75) percent of the county's territory do not have access to adequate broadband service. In essence, the FCC maps suggest that only the residents in the town of Mena have access to 25Mbps downstream and 3Mbps upstream broadband which is consider the minimal threshold to be considered broadband. While we agree with the FCC that

many of our residents have no access what-so-ever to broadband, the lack of competition in the remaining area has made broadband hard to afford for most.

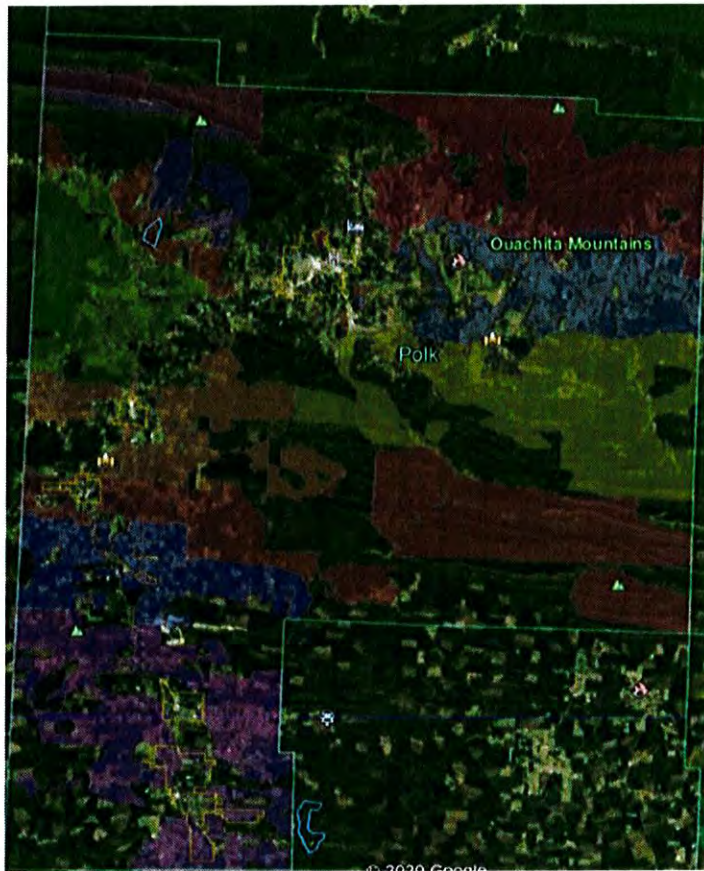


Figure 2: Outline of Howard County, Shaded areas are RDOF Eligible

According to estimates from the United States Census Bureau, our we only have approximately 5,500 urban residents (see Table 3) most of which are in the town of Mena. With an average household income is only \$37,035, approximately 20% of our residents are living in poverty.

Label	Polk County, Arkansas
▼ Total:	20,662
▼ Urban:	5,499
Inside urbanized areas	0
Inside urban clusters	5,499
Rural	15,163
Not defined for this file	0

Figure 3: Polk County Rural/Urban Breakdown

According to the United States Health Resources and Services Administration all 20,000 residents of Polk County are considered medically underserved (see figure 4). Access to telehealth services is critically important to our residents.

Discipline	MUA/P ID	Service Area Name	Designation Type	Primary State Name	County	Index of Medical Underservice Score	Status	Rural Status	Designation Date	Update Date
Primary Care	1057721270	Polk County	Medically Underserved Area	Arkansas	Polk County, AR	60.6	Designated	Rural	11/01/1978	04/23/20

Component State Name	Component County Name	Component Name	Component Type	Component GEOID	Component Rural Status
Arkansas	Polk	Polk	Single County	05113	Rural

Figure 4: Medically underserved according to Health Resources and Services Administration

Description of Need:

Polk County does not have any staff capable of doing a technical study, especially one as complex as deploying a broadband fiber plant across a county. Our staff consists of law enforcement, administration, highway crews, and other non-technical personnel that would be expected of a rural county. The very small amount of IT support that we need is outsourced. We would need to hire at least one fiber system engineer and multiple technicians, resources for which we do not have.

Being a rural area, most of our residents are into some type of farming operation or a related supporting role. We do have a small amount of manufacturing industries like timber processing.

On average there are only 24 people per square mile which is typical of a farming community. Internet services for most of the county is provided over xDSL and because these runs are so long, most residents can only get around 1Mbps or less download speed. Need for broadband has become essential to most of the United States and it is no different for the rural residents of Polk County Arkansas. Farmers use the internet to buy and sell produce, study market conditions, to purchase equipment and even to buy food and clothes for their families. Approximately 32 percent of our residents have K-12 children further increasing the need for broadband.

The school district would also benefit. Consider that Mena Schools pays approximately \$2500/month for 3Gbps broadband service but Alma Schools pays \$1350/month for a 5 Gbps service. This can only be attributed to a lack of a competitive landscape in our county.

We have had preliminary discussions with Rich Mountain Electric Cooperative (RMEC) that serves our entire county and they in turn, have had similar discussions with Pinnacle Telecom. RMEC is in a similar position as Polk county in that they do not have the expertise to file for federal broadband grants nor have the staff to deploy a broadband system. The Coop is however, willing to support another provider to the extent possible, in deploying fiber to their members. In doing so, this would also help RMEC achieve their network needs for initiatives like Smart Grid and Smart Metering. Pinnacle has been in the fiber business for many years, they serve both broadband and telephone services, they are based in Fort Smith Arkansas, and they are an applicant in the FCC RDOF auction. We believe through cooperation between these three entities, we can improve the lives of our residents.

The Polk county budget for 2020 was set at \$11,600,500.00 which is barely enough to take care of basic needs like maintaining streets, law enforcement, elections, court services, record keeping, and jail operations. We would have a hard time justifying \$75K to \$80K to pay for a broadband study.

Description of The Plan:

We have entered into an initial non-monetary contractual relationship with Pinnacle to assist with this application. If award this broadband grant from the State of Arkansas, Polk county intends to engage with Pinnacle who will bring internal and external engineering and other resources into the effort. Pinnacle and their subsidiaries have been an Arkansas telecom provider since 1958. They built out and operate fiber-based broadband services across western Arkansas and eastern Oklahoma. The external resources will be Finley Engineering and CCG Consulting, both of which have done similar studies in Arkansas and across the U.S. They have worked together on many projects using their combined experience assisting a wide variety of broadband operators to build FTTH broadband networks. Pinnacle will provide project management and oversight while Finley and CCG will provide engineering and other resources to perform this feasibility study.

Finley Engineering has completed more than 38,000 miles of FTTx projects in the last 15 years, those projects have been for a wide variety of broadband network operators including electric cooperatives, cities, counties, municipal utilities, competitive providers, telecom companies and wireless ISP's. While all fiber projects use very similar equipment and materials; none of these projects are identical in nature due to many of the other non-technical factors regarding projects. Finley recognizes that each broadband network operator has different goals for their projects, tolerance to risks, capital budgets, existing technical expertise and other decision-making points.

In addition to designing and constructing fiber networks, Finley has also assisted a large number of clients with Broadband Feasibility Studies over the last 4 years and assisted an equal number of clients with State and Federal grant funding applications and competitive bidding opportunities.

CCG Consulting has assisted more than 1,000 clients ranging from competitive fiber providers, telecom providers, cable companies, cooperatives, municipalities and wireless companies.

Scope

The Feasibility Study work will address the following:

- Analysis to understand the broadband needs of our residents and businesses, and to make a realistic estimate of market demand for broadband services.
- Pre-Engineering to estimate the cost of building the network.
- Financial analysis estimating the long-term financial viability of the project with focus on finding the best model that also meets the requirements of the federal funding sources.
- A review and update of the existing broadband competitive market within our service territory.
- A comprehensive report detailing the steps taken and results of our study to include a financial model showing requirements to be successful.

Price Study

Prices for broadband and other triple play products vary by community and it is important to understand the products and prices available in each of these communities. We know that some areas are underserved by virtue of being too expensive. The first step to achieve this goal will be through standard web-based research of existing providers. We also intend to talk to those service providers to determine what information they are willing to share.

As part of this research we hope to obtain enough copies of customer bills that we can develop a model for each community. The detailed bills will tell us what people are actually paying, which is often quite different than the standard prices the service providers might publicly quote. This customer information will of course, be kept completely confidential.

Speed Tests

Speed tests are becoming a standard component of broadband studies because it's clear that the FCC broadband data, particularly in rural areas is vastly overstated. There are numerous grant programs including RDOF, that allow incorrect FCC data to be challenged if enough data is

presented. Through a website that we establish, residents can test their broadband connection speed in a consistent manner.

Interviews

We plan to interview a number of key stakeholders in the county. This could be key businesses, key government stakeholders like the schools, or health care providers. It could include others like farmers or anybody else in your county that we think needs better broadband. CCG Consulting has conducted thousands of similar interviews and we have every confidence that they will select the right stakeholders with our assistance of course, and ask the right questions. These interviews are more in-depth than online surveys and tell us a lot about how the current state of broadband affects the county

Residential Surveys

The primary tool for quantifying potential broadband penetration rates on a new network is a residential survey. CCG has been conducting residential surveys about broadband for over twenty years. There are a few factors that are vital to create an accurate and believable survey. First, the questions asked must be unbiased and can't lead respondents into answering in a given way. CCG has administered hundreds of similar surveys and will assist us to prepare survey questions that are not biased, and results that are believable and accurate.

Business Questionnaire

Businesses tend to have more specific needs and a simple survey will not capture that important additional information. For that reason, we intend to present businesses with a questionnaire where they can provide a written narrative of their broadband story. It is critical that we know their needs, what kind of problems they may be having, and if they are interested in a new broadband offering.

Pre-Engineering

Finley Engineering will complete pre-engineering work for a new FTTx network utilizing existing GIS data for the county where available. This will be a high-level engineering study with the goal of understanding the overall cost of building a fiber/broadband network. This sort of engineering is mostly done from within offices and involves only a few days of field work. In this level of engineering, the goal is to estimate a high-level network cost to make sure we have estimated sufficient dollars for the overall project. The goal in network design is to get as close as we can to the cost of the network while remaining slightly conservative to allow for variances.

We will evaluate all the services and assets needed to build and operate the network. This would include such things as the electronics needed to light the network, the drops and electronics needed to serve customers, the electronics needed to provide the triple play service and SCADA device connectivity. Finally, we will determine needs for facilities within which to house electronics, primary and backup power requirements, as well as the cost of ancillary equipment including vehicles, computers, furniture, software, etc.

We intend to build in a construction contingency which will vary this between 5% and 10% percent of the project depending upon our level of confidence regarding assumptions used in

the study.

The deliverable for preliminary engineering will be a detailed narrative including cost estimates for each identified scenario. The specific deliverables include:

- The cost to build fiber and other assets based upon recent actual construction costs from other projects in the area. In this estimate we will include a construction contingency.
- A review of make-ready construction required to accommodate building fiber on pole line.
- The cost of the electronics needed to light the network and provide the desired services.
- The cost of ancillary assets needed to be in the business such as a building, vehicles, computers, and the electronics needed to provide the triple play services.
- We will prepare GIS FTTH network design showing realistic fiber sizes, equipment and PON cabinet locations and proposed splice points. We will develop a cost of the network and provide a written narrative detailing our assumptions and our results.

Financial Feasibility:

Using input from their survey, along with data provided from the pre-engineering study, CCG Consulting who have prepared hundreds of financial business plans for clients, will put together a study on financial feasibility. The financial business plan will include in-depth detail relative to the organization, operating costs, overheads, equipment and materials required to operate the proposed business. It will include detailed projections for the required staffing, capital and equipment needed to meet the plan objectives.

We plan to build models to coincide with the expected length of any debt to be sure that there are no underlying assumptions that eventually turn into problems. Our models by design will be sufficient for use to seek financing with financial institutions or to use for seeking grants and other government assistance. The models will include the full set of normal financial statements.

One of the most important variables in any financial model is the penetration rate, or the percentage of customers that select a new fiber business. We look at potential penetration rate in a few different ways:

- Use market research to estimate market demand. This will provide a starting point for a base study.
- Based upon past experience, CCG will make an educated guess of penetration rate based upon the size of the market, the broadband available today, and the specific incumbent providers.
- One of the most useful outputs of our studies is that we will calculate the breakeven penetration rate. This is the number of customers that are needed for the business plan to be financially self-sufficient.

- Finally, we will undertake a risk analysis on penetration rate and several other estimated variables to make it possible to easily understand the impact of variations in assumptions.

CCG is somewhat unique among telecom consultants in that they specialize in helping projects find funding. They have a successful track record with many other similar projects. There is no question that getting projects funded is the hardest step in launching a fiber project and many otherwise feasible projects have languished due to the inability to raise the needed funding. We certainly plan to apply in the RDOF auction but there are other funds available through the CARES Act, through RUS grants for smart metering and others that we will be investigating.

Written Report

A written report will be generated that includes detailed data on what was learned, recommendations for future work, and options for broadband deployment. It will be written in a manner that the general public can read and understand, and will look in depth at a wide range of different topics:

- An executive summary of what our analysis means.
- A description of the market research that was done and the results we obtained.
- A description of the engineering assumptions made in the analysis and the results we obtained.
- The assumptions used in the financial analysis and the results we obtained.
- An in-depth discussion about your financing options.
- An expected timeline for building and launching the proposed new business.
- A list of specific recommendations based on what our analysis tells us.
- A list of ideas and next steps for moving forward after you get our analysis.

Budget:

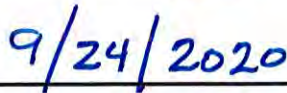
The OMB Form 424A was completed and submitted with this application. We worked with Pinnacle to write this application and in turn, Pinnacle worked with the consultants to work out a scope for this study that would be achievable with the funding available through this Arkansas grant. Should we be able to save costs through economies of scale by also including Howard County in the study, we will use the extra funds to help offset the costs of pursuing funding opportunities. Of course, should we get less than the full amount of this grant, we will need to work with all parties to reduce scope.

Authorized Signature:



POLK COUNTY JUDGE

Date

**Supporting Documents:****Letters of Support:**

Support for our project is widespread. A few letters of support are appended to this application below.



Electric Cooperative, Inc.

To Whom it May Concern:

Rich Mountain Electric Cooperative understands that Pinnacle Telecom is applying for a grant to help them deploy fiber broadband throughout our territory.

Broadband service connects businesses and individuals to the global marketplace. It has become an essential quality-of-life amenity for many. Broadband allows for a more flexible lifestyle by providing greater access to education through distance learning programs or remote employment. Existing economic literature demonstrates a variety of benefits that result from broadband, including greater economic growth, higher levels in the quality of healthcare and education, and greater civic participation, among others.

Rich Mountain Electric Cooperative supports Pinnacle Telecom in its effort to extend fiber broadband to all our Members.

Brad Castor
President/ CEO
Rich Mountain Electric Cooperative, Inc.



MENA REGIONAL HEALTH SYSTEM

Specializing in You!

September 10, 2020

UAMS Institute for Digital Health & Innovation
c/o: Rural Broadband ID Application
Attn: Roy Kitchen
4301 W. Markham St. Slot 519
Little Rock, AR 72205

Dear Mr. Kitchen:

I am writing to you in regards to the Rural Broadband I.D Trust Fund Grant that I understand might be able to help my community get started on initial assessments of getting faster and more affordable internet access.

Even before the COVID-19 pandemic hit, internet access in the rural area where we live was woefully inadequate and expensive. While we may have multiple providers within our communities, often these providers do not overlap or compete for business which in turn does not compel them to improve and pricing remains inflated. Once you exit the city limits of all our communities, internet options are few and often limited to a single provider, typically satellite. Because of the pandemic, our situation is exponentially worse. With so many people working remotely from home and kids taking online classes, our internet service is overloaded and slower than ever before. Many parents and children can be seen in parking lots accessing public WiFi to complete homework assignments. As you can imagine, a parked car is less than an ideal educational environment. Having availability to affordable, quality internet is paramount to the success and well being of our community as it relates to Healthcare. It has been made very evident that the medical community needs to be as accessible as possible, and this includes many forms of Telemedicine. Whether it is a checkup, heart monitoring, home health and hospice care, etc., reliable access to Healthcare when travel may not be easible or allowed will go a long way towards improving outcomes for all our patients and families within our Healthcare reach.

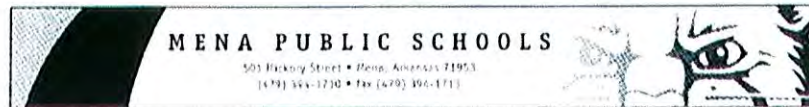
I am in full support of my county working to improve our internet access. Getting funding from this state grant to pay a private company that knows what they are doing to come up with a plan that works for all of us sounds like a great place to start.

Kind Regards,

Jay Québedeaux,
Chief Executive Officer

JQ/ett

311 NORTH MORROW STREET - MENA, AR 71953 - PHONE 479-394-6100 - FAX 479-394-4577



September 10, 2020

*UAMS Institute for Digital Health & Innovation
c/o: Rural Broadband ID Application
Attn: Roy Kitchen
4301 W. Markham St. Slot 519
Little Rock, AR 72205*

Mr. Kitchen,

I am writing to you in regards to the Rural Broadband ID Trust Fund Grant that I understand might be able to help my community get started on initial assessments of getting faster and more affordable internet access.

Even before the covid-19 pandemic hit, internet access in the rural area where we live was woefully inadequate and expensive. With only one provider, we do not have any competition that might compel them to improve. Because of the pandemic however, our situation is exponentially worse. With so many people working remotely from home and kids taking online classes, our internet service is overloaded and slower than ever before.

I am in full support of my county working to improve our internet access. Getting funding from this state grant to pay a private company that knows what they are doing to come up with a plan that works for all of us sounds like a great place to start.

Sincerely,

Benny Weston
Benny Weston
Superintendent
Mena Public Schools

Anthony W. Hooper
309 S. Morrow St., Mena, AR 71953
(479)394-3650
tony.hooper@afbic.com

UAMS Institute for Digital Health and Innovation
c/o Rural Broadband ID Application
Attn: Roy Kitchen
4301 W. Markham St. Slot 519
Little Rock, AR 72205

Dear Mr. Kitchen,

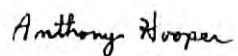
I am writing this letter to you regarding the Rural Broadband I.D. Trust Grant that I understand might help implement the startup of initial assessments to help acquire faster and more reliable internet access for people living in rural areas, like Mena and Polk County.

Even before the Covid-19 pandemic hit, internet access in rural AR, where we live, was extremely slow and signal strength was inadequate or even non-existent in some places. With limited providers, and a limited population, there is not enough competition to compel any current company to improve their system. Because of the pandemic however, the situation has become much more obvious to county leaders and local officials. With so many residents suddenly forced to work from home, plus their children participating in virtual learning, the local services became vastly overloaded, resulting in slower service than ever before.

I am in full support of Polk County working with you and your team to improve local internet access. Getting funding options from state grants to pay a private company to assess our current limitations and ways to improve internet service

for our county residents is a great place to start and will be worth the investment in the end. Thank you for what you will do to make life better for all Arkansans.

Sincerely,

A handwritten signature in cursive script that reads "Anthony Hooper".

Anthony Hooper – Agency Manager
Polk County Farm Bureau Insurance
AR Insurance license #1665860

BUDGET INFORMATION - Non-Construction Programs

OMB Number: 4040-0006
Expiration Date: 02/28/2022

SECTION A - BUDGET SUMMARY

Grant Program Function or Activity (a)	Catalog of Federal Domestic Assistance Number (b)	Estimated Unobligated Funds		New or Revised Budget		
		Federal (c)	Non-Federal (d)	Federal (e)	Non-Federal (f)	Total (g)
1. Market Research		\$	\$	\$	\$	\$
2. Broadband Network Designs						
3. Competitive & Financial Analysis						
4. Feasibility Report						
5. Totals		\$	\$	\$	\$	\$

SECTION B - BUDGET CATEGORIES

6. Object Class Categories	GRANT PROGRAM, FUNCTION OR ACTIVITY				Total (5)
	(1) Market Research	(2) Broadband Network Designs	(3) Competitive & Financial Analysis	(4) Feasibility Report	
a. Personnel	\$ 10,750.00	\$ 34,500.00	\$ 15,750.00	\$ 10,500.00	\$ 71,500.00
b. Fringe Benefits					
c. Travel		2,500.00		1,000.00	3,500.00
d. Equipment					
e. Supplies					
f. Contractual					
g. Construction					
h. Other					
i. Total Direct Charges (sum of 6a-6h)	10,750.00	37,000.00	15,750.00	11,500.00	\$ 75,000.00
j. Indirect Charges					
k. TOTALS (sum of 6i and 6j)	\$ 10,750.00	\$ 37,000.00	\$ 15,750.00	\$ 11,500.00	\$ 75,000.00
7. Program Income	\$	\$	\$	\$	\$

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Standard Form 424A (Rev. 7- 97)
Prescribed by OMB (Circular A -102) Page 1A

SECTION C - NON-FEDERAL RESOURCES					
(a) Grant Program		(b) Applicant	(c) State	(d) Other Sources	(e) TOTALS
8.	Market Research	\$ <input style="width: 80%;" type="text"/>	\$ <input style="width: 80%;" type="text"/>	\$ <input style="width: 80%;" type="text"/>	\$ <input style="width: 80%;" type="text"/>
9.	Broadband Network Plan	<input style="width: 80%;" type="text"/>	<input style="width: 80%;" type="text"/>	<input style="width: 80%;" type="text"/>	<input style="width: 80%;" type="text"/>
10.	Competitive & Financial Analysis	<input style="width: 80%;" type="text"/>	<input style="width: 80%;" type="text"/>	<input style="width: 80%;" type="text"/>	<input style="width: 80%;" type="text"/>
11.	Feasibility Report	<input style="width: 80%;" type="text"/>	<input style="width: 80%;" type="text"/>	<input style="width: 80%;" type="text"/>	<input style="width: 80%;" type="text"/>
12. TOTAL (sum of lines 8-11)		\$ <input style="width: 80%;" type="text"/>	\$ <input style="width: 80%;" type="text"/>	\$ <input style="width: 80%;" type="text"/>	\$ <input style="width: 80%;" type="text"/>

SECTION D - FORECASTED CASH NEEDS						
		Total for 1st Year	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
13.	Federal	\$ <input style="width: 80%;" type="text"/>	\$ <input style="width: 80%;" type="text"/>	\$ <input style="width: 80%;" type="text"/>	\$ <input style="width: 80%;" type="text"/>	\$ <input style="width: 80%;" type="text"/>
14.	Non-Federal	\$ <input style="width: 80%;" type="text"/>	<input style="width: 80%;" type="text"/>	<input style="width: 80%;" type="text"/>	<input style="width: 80%;" type="text"/>	<input style="width: 80%;" type="text"/>
15. TOTAL (sum of lines 13 and 14)		\$ <input style="width: 80%;" type="text"/>	\$ <input style="width: 80%;" type="text"/>	\$ <input style="width: 80%;" type="text"/>	\$ <input style="width: 80%;" type="text"/>	\$ <input style="width: 80%;" type="text"/>

SECTION E - BUDGET ESTIMATES OF FEDERAL FUNDS NEEDED FOR BALANCE OF THE PROJECT					
(a) Grant Program		FUTURE FUNDING PERIODS (YEARS)			
		(b) First	(c) Second	(d) Third	(e) Fourth
16.	Market Research	\$ <input style="width: 80%;" type="text"/>	\$ <input style="width: 80%;" type="text"/>	\$ <input style="width: 80%;" type="text"/>	\$ <input style="width: 80%;" type="text"/>
17.	Broadband Network Plan	<input style="width: 80%;" type="text"/>	<input style="width: 80%;" type="text"/>	<input style="width: 80%;" type="text"/>	<input style="width: 80%;" type="text"/>
18.	Competitive & Financial Analysis	<input style="width: 80%;" type="text"/>	<input style="width: 80%;" type="text"/>	<input style="width: 80%;" type="text"/>	<input style="width: 80%;" type="text"/>
19.	Feasibility Report	<input style="width: 80%;" type="text"/>	<input style="width: 80%;" type="text"/>	<input style="width: 80%;" type="text"/>	<input style="width: 80%;" type="text"/>
20. TOTAL (sum of lines 16 - 19)		\$ <input style="width: 80%;" type="text"/>	\$ <input style="width: 80%;" type="text"/>	\$ <input style="width: 80%;" type="text"/>	\$ <input style="width: 80%;" type="text"/>

SECTION F - OTHER BUDGET INFORMATION	
21. Direct Charges: <input style="width: 95%;" type="text"/>	22. Indirect Charges: <input style="width: 95%;" type="text"/>
23. Remarks: <input style="width: 98%;" type="text"/>	

Application for Rural Broadband and I.D Expenses Trust Fund Grant

Applicant:

Howard County Arkansas
101 Isaac C. Perkins Bypass
Nashville, AR 71852
(870) 845-2626
EIN: 71-6020042
Primary Contact: Judge Kevin Smith
Email: judge@howardco.org

Amount Requested: \$75,000

Program Description:

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Project Narrative

Introduction:

The proposed service area is all of Howard County, to the extent that funding is available to reach all of our residents. Howard county is an extremely rural area with a population of approximately 13,800 residents. The largest city in the county is Nashville which has a population of 4,600 accounting for about 1/3rd of the residents of the entire county. The next largest incorporated towns are Dierks and Mineral Springs, each with a population of approximately 1200 residents which is far from urban. According to the Federal Communications Commission (FCC) broadband maps, most of the county does not have access to even the minimum definition of broadband which is defined as 25Mbps downstream and 3Mbps upstream. Indeed, the proposed service area as shown in the FCC map in Figure 1, illustrates that 83% of the residents of our county do not have minimal broadband access.

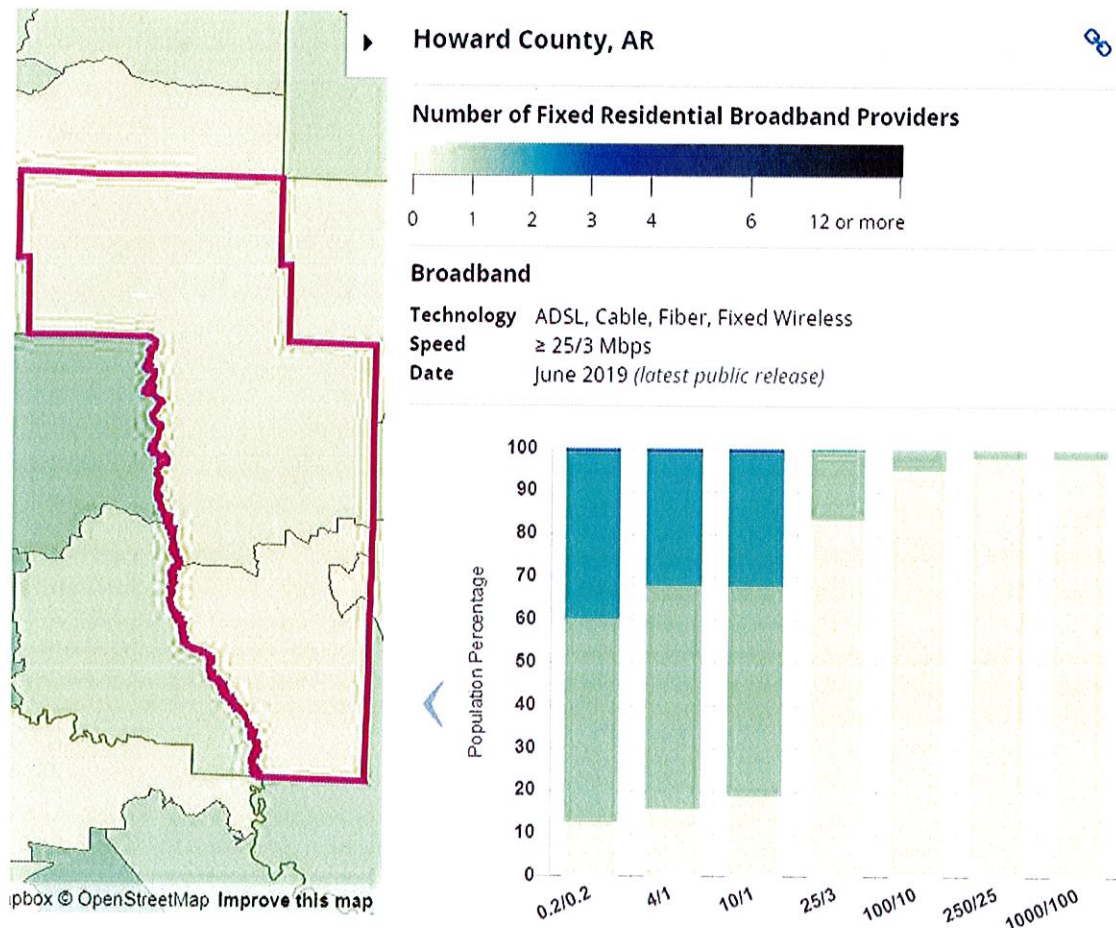


Figure 1: FCC Broadband Map for Howard County

Looking at the map for the FCC Rural Digital Opportunity Fund (RDOF) 904 auctions, approximately seventy (70) percent of the county's territory is eligible for participation (see Figure 2). In essence, the FCC maps suggest that only the residents in the town of Nashville, and parts of Dierks and Mineral Springs have access to 25Mbps downstream and 3Mbps upstream broadband which is consider the minimal threshold to be considered broadband. While we agree with the FCC that many of our residents have no access what-so-ever to broadband, the lack of competition in the remaining area has made broadband hard to afford for most. According to estimates from the United States Census Bureau, approximately 4500 of our residents live in a semi-urban area, while the remainder of 9300 residents (~68%) are rural. Additionally, a little over 17% of the county population is living in poverty.



Figure 2: Shaded areas are designated by the FCC as underserved with broadband

According to the United States Health Resources and Services Administration all 13,800 residents of Howard County are considered medically underserved. Access to telehealth services is critically important to our residents (see Figure 3).

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Arkansas		Howard		Howard		Single County	05061	Rural		

Figure 3: Medically Underserved according to the Health Resources Services Administration

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Howard County does not have any staff capable of doing a technical study, especially one as complex as deploying a broadband fiber plant across a county. Our staff consists of law enforcement, administration, highway crews, and other non-technical personnel that would be expected of a rural county. The very small amount of IT support that we need is outsourced. We would need to hire at least one fiber system engineer and multiple technicians, resources for which we do not have.

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The school districts would also benefit. Consider that Dierks Schools pays approximately \$2700/month for 1Gbps broadband service but Van Buren Schools which is a much more urban area, pays \$2900/month for a 5 Gbps service. This can only be attributed to a lack of a competitive landscape in our county.

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- Pre-Engineering to estimate the cost of building the network.

- Financial analysis estimating the long-term financial viability of the project with focus on finding the best model that also meets the requirements of the federal funding sources.
- A review and update of the existing broadband competitive market within our service territory.
- A comprehensive report detailing the steps taken and results of our study to include a financial model showing requirements to be successful.

Price Study

Prices for broadband and other triple play products vary by community and it is important to understand the products and prices available in each of these communities. We know that some areas are underserved by virtue of being too expensive. The first step to achieve this goal will be through standard web-based research of existing providers. We also intend to talk to those service providers to determine what information they are willing to share.

As part of this research we hope to obtain enough copies of customer bills that we can develop a model for each community. The detailed bills will tell us what people are actually paying, which is often quite different than the standard prices the service providers might publicly quote. This customer information will of course, be kept completely confidential.

Speed Tests

Speed tests are becoming a standard component of broadband studies because it's clear that the FCC broadband data, particularly in rural areas is vastly overstated. There are numerous grant programs including RDOF, that allow incorrect FCC data to be challenged if enough data is presented. Through a website that we establish, residents can test their broadband connection speed in a consistent manner.

Interviews

We plan to interview a number of key stakeholders in the county. This could be key businesses, key government stakeholders like the schools, or health care providers. It could include others like farmers or anybody else in your county that we think needs better broadband. CCG Consulting has conducted thousands of similar interviews and we have every confidence that they will select the right stakeholders with our assistance of course, and ask the right questions. These interviews are more in-depth than online surveys and tell us a lot about how the current state of broadband affects the county.

Residential Surveys

The primary tool for quantifying potential broadband penetration rates on a new network is a residential survey. CCG has been conducting residential surveys about broadband for over twenty years. There are a few factors that are vital to create an accurate and believable survey. First, the questions asked must be unbiased and can't lead respondents into answering in a given way. CCG has administered hundreds of similar surveys and will assist us to prepare survey questions that are not biased, and results that are believable and accurate.

Business Questionnaire

Businesses tend to have more specific needs and a simple survey will not capture that important additional information. For that reason, we intend to present businesses with a questionnaire where they can provide a written narrative of their broadband story. It is critical that we know their needs, what kind of problems they may be having, and if they are interested in a new broadband offering.

Pre-Engineering

Finley Engineering will complete pre-engineering work for a new FTTx network utilizing existing GIS data for the county where available. This will be a high-level engineering study with the goal of understanding the overall cost of building a fiber/broadband network. This sort of engineering is mostly done from within offices and involves only a few days of field work. In this level of engineering, the goal is to estimate a high-level network cost to make sure we have estimated sufficient dollars for the overall project. The goal in network design is to get as close as we can to the cost of the network while remaining slightly conservative to allow for variances.

We will evaluate all the services and assets needed to build and operate the network. This would include such things as the electronics needed to light the network, the drops and electronics needed to serve customers, the electronics needed to provide the triple play service and SCADA device connectivity. Finally, we will determine needs for facilities within which to house electronics, primary and backup power requirements, as well as the cost of ancillary equipment including vehicles, computers, furniture, software, etc.

We intend to build in a construction contingency which will vary this between 5% and 10% percent of the project depending upon our level of confidence regarding assumptions used in the study.

The deliverable for preliminary engineering will be a detailed narrative including cost estimates for each identified scenario. The specific deliverables include:

- The cost to build fiber and other assets based upon recent actual construction costs from other projects in the area. In this estimate we will include a construction contingency.
- A review of make-ready construction required to accommodate building fiber on pole lines.
- The cost of the electronics needed to light the network and provide the desired services.
- The cost of ancillary assets needed to be in the business such as a building, vehicles, computers, and the electronics needed to provide the triple play services.
- We will prepare GIS FTTH network design showing realistic fiber sizes, equipment and PON cabinet locations and proposed splice points. We will develop a cost of the network and provide a written narrative detailing our assumptions and our results.

Financial Feasibility:

Using input from their survey, along with data provided from the pre-engineering study, CCG Consulting who have prepared hundreds of financial business plans for clients, will put together a study on financial feasibility. The financial business plan will include in-depth detail relative to

the organization, operating costs, overheads, equipment and materials required to operate the proposed business. It will include detailed projections for the required staffing, capital and equipment needed to meet the plan objectives.

We plan to build models to coincide with the expected length of any debt to be sure that there are no underlying assumptions that eventually turn into problems. Our models by design will be sufficient for use to seek financing with financial institutions or to use for seeking grants and other government assistance. The models will include the full set of normal financial statements.

One of the most important variables in any financial model is the penetration rate, or the percentage of customers that select a new fiber business. We look at potential penetration rate in a few different ways:

- Use market research to estimate market demand. This will provide a starting point for a base study.
- Based upon past experience, CCG will make an educated guess of penetration rate based upon the size of the market, the broadband available today, and the specific incumbent providers.
- One of the most useful outputs of our studies is that we will calculate the breakeven penetration rate. This is the number of customers that are needed for the business plan to be financially self-sufficient.
- Finally, we will undertake a risk analysis on penetration rate and several other estimated variables to make it possible to easily understand the impact of variations in assumptions.

CCG is somewhat unique among telecom consultants in that they specialize in helping projects find funding. They have a successful track record with many other similar projects. There is no question that getting projects funded is the hardest step in launching a fiber project and many otherwise feasible projects have languished due to the inability to raise the needed funding. We certainly plan to apply in the RDOF auction but there are other funds available through the CARES Act, through RUS grants for smart metering and others that we will be investigating.

Written Report

A written report will be generated that includes detailed data on what was learned, recommendations for future work, and options for broadband deployment. It will be written in a manner that the general public can read and understand, and will look in depth at a wide range of different topics:

- An executive summary of what our analysis means.
- A description of the market research that was done and the results we obtained.
- A description of the engineering assumptions made in the analysis and the results we obtained.
- The assumptions used in the financial analysis and the results we obtained.

- An in-depth discussion about your financing options.
- An expected timeline for building and launching the proposed new business.
- A list of specific recommendations based on what our analysis tells us.
- A list of ideas and next steps for moving forward after you get our analysis.

Budget:

The OMB Form 424A was completed and submitted with this application. We worked with Pinnacle to write this application and in turn, Pinnacle worked with the consultants to work out a scope for this study that would be achievable with the funding available through this Arkansas grant. Should we be able to save costs through economies of scale by also including Polk County in the study, we will use the extra funds to help offset the costs of pursuing funding opportunities. Of course, should we get less than the full amount of this grant, we will need to work with all parties to reduce scope.

Supporting Documents:

Letters of Support

HOWARD COUNTY QUORUM COURT

421 N. Main Street
Nashville, AR 71852

September 21, 2020


Rural Broadband Grant
UAMS
2020 University of Arkansas for Medical Services
Little Rock, AR 72202

TO WHOM IT MAY CONCERN:

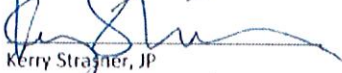
We are writing in support of Pinnacle Telecom, who is applying for a grant for rural Arkansas internet. COVID-19 has created a different lifestyle with community residents for example, working from home and children learning through virtual schooling at home to keep our community safe and healthy. Through these changes we see the urgent need for rural internet services.

The Howard County Quorum Court would appreciate your consideration to provide our rural community with internet. If you have any questions, please contact us at your convenience.

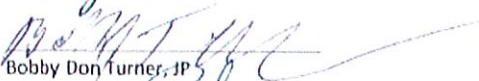
Sincerely,



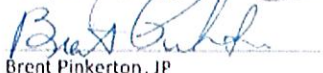
Andy Hogg, JP



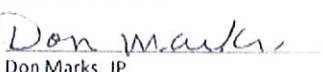
Kerry Stragner, JP



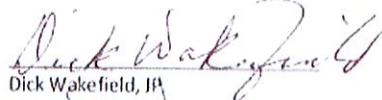
Bobby Don Turner, JP



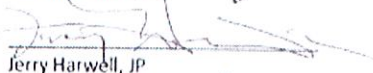
Brent Pinkerton, JP



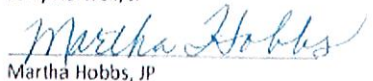
Don Marks, JP



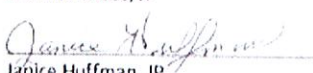
Dick Wakefield, JP



Jerry Harwell, JP



Martha Hobbs, JP



Janice Huffman, JP



Electric Cooperative, Inc.

P.O. BOX 897 514 JANSSEN AVE
MENA ARKANSAS 71655 479-331-47

To Whom it May Concern:

Rich Mountain Electric Cooperative understands that Pinnacle Telecom is applying for a grant to help them deploy fiber broadband throughout our territory.

Broadband service connects businesses and individuals to the global marketplace. It has become an essential quality-of-life amenity for many. Broadband allows for a more flexible lifestyle by providing greater access to education through distance learning programs or remote employment. Existing economic literature demonstrates a variety of benefits that result from broadband, including greater economic growth, higher levels in the quality of healthcare and education, and greater civic participation, among others.

Rich Mountain Electric Cooperative supports Pinnacle Telecom in its effort to extend fiber broadband to all our Members.

Brad Castor

President/ CEO

Rich Mountain Electric Cooperative, Inc.

Kevin Smith
HOWARD COUNTY JUDGE



August 21, 2020

421 North Main Street
Nashville, Arkansas 71852
870-845-7500 Office
870-845-2056 Shop
870-845-7505 FAX

Rural Broadband Grant
UAMS
2020 University of Arkansas for Medical Services
Little Rock, AR

TO WHOM IT MAY CONCERN:

I am writing in support of Pinnacle Telecom, who is applying for the Rural Broadband Grant. With the challenging time we live in with the COVID-19 pandemic, more and more people in our community are working from home, attending virtual classrooms or hybrid school from home. Making internet access a need and not a frivolity. The rural community is in serious need of internet access.

I would sincerely appreciate your time and consideration for the good of our rural community in reviewing this application. If you have any questions or would have time to visit with me on this matter, please do not hesitate to contact me at your convenience.

Respectfully,

A handwritten signature in black ink that reads "Kevin Smith". The signature is stylized with a large, sweeping "K" and a cursive "Smith".
Kevin Smith

BUDGET INFORMATION - Non-Construction Programs

OMB Number: 4040-0006
Expiration Date: 02/28/2022

SECTION A - BUDGET SUMMARY

Grant Program Function or Activity (a)	Catalog of Federal Domestic Assistance Number (b)	Estimated Unobligated Funds		New or Revised Budget		
		Federal (c)	Non-Federal (d)	Federal (e)	Non-Federal (f)	Total (g)
1. Market Research		\$	\$	\$	\$	\$
2. Broadband Network Designs						
3. Competitive & Financial Analysis						
4. Feasibility Report						
5. Totals		\$	\$	\$	\$	\$

SECTION B - BUDGET CATEGORIES

6. Object Class Categories	GRANT PROGRAM, FUNCTION OR ACTIVITY				Total (5)
	(1)	(2)	(3)	(4)	
	Market Research	Broadband Network Designs	Competitive & Financial Analysis	Feasibility Report	
a. Personnel	\$ 10,750.00	\$ 34,500.00	\$ 15,750.00	\$ 10,500.00	\$ 71,500.00
b. Fringe Benefits					
c. Travel		2,500.00		1,000.00	3,500.00
d. Equipment					
e. Supplies					
f. Contractual					
g. Construction					
h. Other					
i. Total Direct Charges (sum of 6a-6h)	10,750.00	37,000.00	15,750.00	11,500.00	75,000.00
j. Indirect Charges					
k. TOTALS (sum of 6i and 6j)	10,750.00	37,000.00	15,750.00	11,500.00	75,000.00
7. Program Income	\$	\$	\$	\$	\$

Authorized for Local Reproduction

SECTION C - NON-FEDERAL RESOURCES

(a) Grant Program		(b) Applicant	(c) State	(d) Other Sources	(e) TOTALS
8.	Market Research	\$	\$	\$	\$
9.	Broadband Network Plan				
10.	Competitive & Financial Analysis				
11.	Feasibility Report				
12. TOTAL (sum of lines 8-11)		\$	\$	\$	\$

SECTION D - FORECASTED CASH NEEDS

	Total for 1st Year	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
13. Federal	\$	\$	\$	\$	\$
14. Non-Federal	\$				
15. TOTAL (sum of lines 13 and 14)	\$	\$	\$	\$	\$

SECTION E - BUDGET ESTIMATES OF FEDERAL FUNDS NEEDED FOR BALANCE OF THE PROJECT

(a) Grant Program

	FUTURE FUNDING PERIODS (YEARS)			
	(b) First	(c) Second	(d) Third	(e) Fourth
16. Market Research	\$	\$	\$	\$
17. Broadband Network Plan				
18. Competitive & Financial Analysis				
19. Feasibility Report				
20. TOTAL (sum of lines 16 - 19)	\$	\$	\$	\$

SECTION F - OTHER BUDGET INFORMATION

21. Direct Charges:		22. Indirect Charges:	
23. Remarks:			

Application for Rural Broadband and I.D Expenses Trust Fund Grant

Applicant:

Howard County Arkansas
101 Isaac C. Perkins Bypass
Nashville, AR 71852
(870) 845-2626
EIN: 71-6020042
Primary Contact: Judge Kevin Smith
Email: judge@howardco.org

Amount Requested: \$75,000

Program Description:

Broadband service in our county is inadequate in most areas, as well as expensive and unreliable. We are in need of upgrades to the infrastructure, but because most of the county is rural, no new telecommunications companies have sought to enter our market and the existing providers have no pressure to upgrade their systems. The idea of getting involved as a county is not new, but we simply do not have the funds available or expertise to even do a preliminary study. Recently however, the county has been in contact with Pinnacle Telecom (Pinnacle) out of Fort Smith Arkansas. They certainly have the expertise to organize a feasibility study and with support from the State of Arkansas through this grant, we believe we will be able to fund the engineering efforts needed for a thorough study. To help reduce the overall cost through economies of scale, we are in talks with our neighboring county of Polk. They are in a similar situation with broadband as Howard county, and may be applying for this grant. The hope is to use the same engineering firm in both counties to reduce overall costs for each.

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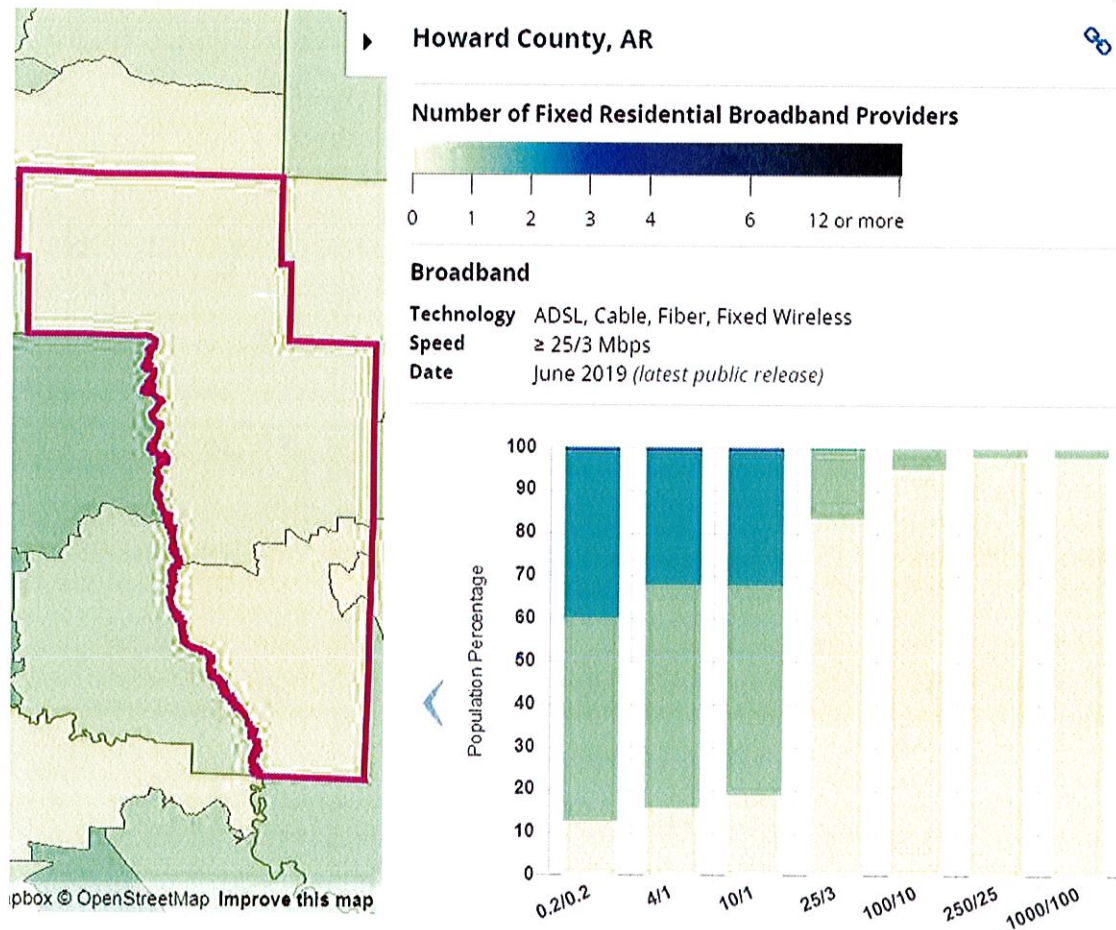


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- A comprehensive report detailing the steps taken and results of our study to include a financial model showing requirements to be successful.

Price Study

Prices for broadband and other triple play products vary by community and it is important to understand the products and prices available in each of these communities. We know that some areas are underserved by virtue of being too expensive. The first step to achieve this goal will be through standard web-based research of existing providers. We also intend to talk to those service providers to determine what information they are willing to share.

As part of this research we hope to obtain enough copies of customer bills that we can develop a model for each community. The detailed bills will tell us what people are actually paying, which is often quite different than the standard prices the service providers might publicly quote. This customer information will of course, be kept completely confidential.

Speed Tests

Speed tests are becoming a standard component of broadband studies because it's clear that the FCC broadband data, particularly in rural areas is vastly overstated. There are numerous grant programs including RDOF, that allow incorrect FCC data to be challenged if enough data is presented. Through a website that we establish, residents can test their broadband connection speed in a consistent manner.

Interviews

We plan to interview a number of key stakeholders in the county. This could be key businesses, key government stakeholders like the schools, or health care providers. It could include others like farmers or anybody else in your county that we think needs better broadband. CCG Consulting has conducted thousands of similar interviews and we have every confidence that they will select the right stakeholders with our assistance of course, and ask the right questions. These interviews are more in-depth than online surveys and tell us a lot about how the current state of broadband affects the county

Residential Surveys

The primary tool for quantifying potential broadband penetration rates on a new network is a residential survey. CCG has been conducting residential surveys about broadband for over twenty years. There are a few factors that are vital to create an accurate and believable survey. First, the questions asked must be unbiased and can't lead respondents into answering in a given way. CCG has administered hundreds of similar surveys and will assist us to prepare survey questions that are not biased, and results that are believable and accurate.

Business Questionnaire

Businesses tend to have more specific needs and a simple survey will not capture that important additional information. For that reason, we intend to present businesses with a questionnaire where they can provide a written narrative of their broadband story. It is critical that we know their needs, what kind of problems they may be having, and if they are interested in a new broadband offering.

Pre-Engineering

Finley Engineering will complete pre-engineering work for a new FTTx network utilizing existing GIS data for the county where available. This will be a high-level engineering study with the goal of understanding the overall cost of building a fiber/broadband network. This sort of engineering is mostly done from within offices and involves only a few days of field work. In this level of engineering, the goal is to estimate a high-level network cost to make sure we have estimated sufficient dollars for the overall project. The goal in network design is to get as close as we can to the cost of the network while remaining slightly conservative to allow for variances.

We will evaluate all the services and assets needed to build and operate the network. This would include such things as the electronics needed to light the network, the drops and electronics needed to serve customers, the electronics needed to provide the triple play service and SCADA device connectivity. Finally, we will determine needs for facilities within which to house electronics, primary and backup power requirements, as well as the cost of ancillary equipment including vehicles, computers, furniture, software, etc.

We intend to build in a construction contingency which will vary this between 5% and 10% percent of the project depending upon our level of confidence regarding assumptions used in the study.

The deliverable for preliminary engineering will be a detailed narrative including cost estimates for each identified scenario. The specific deliverables include:

- The cost to build fiber and other assets based upon recent actual construction costs from other projects in the area. In this estimate we will include a construction contingency.
- A review of make-ready construction required to accommodate building fiber on pole lines.
- The cost of the electronics needed to light the network and provide the desired services.
- The cost of ancillary assets needed to be in the business such as a building, vehicles, computers, and the electronics needed to provide the triple play services.
- We will prepare GIS FTTH network design showing realistic fiber sizes, equipment and PON cabinet locations and proposed splice points. We will develop a cost of the network and provide a written narrative detailing our assumptions and our results.

Financial Feasibility:

Using input from their survey, along with data provided from the pre-engineering study, CCG Consulting who have prepared hundreds of financial business plans for clients, will put together a study on financial feasibility. The financial business plan will include in-depth detail relative to

the organization, operating costs, overheads, equipment and materials required to operate the proposed business. It will include detailed projections for the required staffing, capital and equipment needed to meet the plan objectives.

We plan to build models to coincide with the expected length of any debt to be sure that there are no underlying assumptions that eventually turn into problems. Our models by design will be sufficient for use to seek financing with financial institutions or to use for seeking grants and other government assistance. The models will include the full set of normal financial statements.

One of the most important variables in any financial model is the penetration rate, or the percentage of customers that select a new fiber business. We look at potential penetration rate in a few different ways:

- Use market research to estimate market demand. This will provide a starting point for a base study.
- Based upon past experience, CCG will make an educated guess of penetration rate based upon the size of the market, the broadband available today, and the specific incumbent providers.
- One of the most useful outputs of our studies is that we will calculate the breakeven penetration rate. This is the number of customers that are needed for the business plan to be financially self-sufficient.
- Finally, we will undertake a risk analysis on penetration rate and several other estimated variables to make it possible to easily understand the impact of variations in assumptions.

CCG is somewhat unique among telecom consultants in that they specialize in helping projects find funding. They have a successful track record with many other similar projects. There is no question that getting projects funded is the hardest step in launching a fiber project and many otherwise feasible projects have languished due to the inability to raise the needed funding. We certainly plan to apply in the RDOF auction but there are other funds available through the CARES Act, through RUS grants for smart metering and others that we will be investigating.

Written Report

A written report will be generated that includes detailed data on what was learned, recommendations for future work, and options for broadband deployment. It will be written in a manner that the general public can read and understand, and will look in depth at a wide range of different topics:

- An executive summary of what our analysis means.
- A description of the market research that was done and the results we obtained.
- A description of the engineering assumptions made in the analysis and the results we obtained.
- The assumptions used in the financial analysis and the results we obtained.

- An in-depth discussion about your financing options.
- An expected timeline for building and launching the proposed new business.
- A list of specific recommendations based on what our analysis tells us.
- A list of ideas and next steps for moving forward after you get our analysis.

Budget:

The OMB Form 424A was completed and submitted with this application. We worked with Pinnacle to write this application and in turn, Pinnacle worked with the consultants to work out a scope for this study that would be achievable with the funding available through this Arkansas grant. Should we be able to save costs through economies of scale by also including Polk County in the study, we will use the extra funds to help offset the costs of pursuing funding opportunities. Of course, should we get less than the full amount of this grant, we will need to work with all parties to reduce scope.

Supporting Documents:

Letters of Support

HOWARD COUNTY QUORUM COURT

421 N. Main Street
Nashville, AR 71852

September 21, 2020

Rural Broadband Grant
UAMS
2020 University of Arkansas for Medical Services
Little Rock, AR 72202

TO WHOM IT MAY CONCERN:

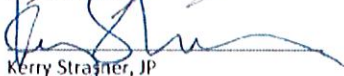
We are writing in support of Pinnacle Telecom, who is applying for a grant for rural Arkansas internet. COVID-19 has created a different lifestyle with community residents for example, working from home and children learning through virtual schooling at home to keep our community safe and healthy. Through these changes we see the urgent need for rural internet services.

The Howard County Quorum Court would appreciate your consideration to provide our rural community with internet. If you have any questions, please contact us at your convenience.

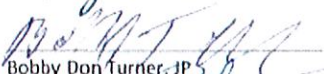
Sincerely,



Andy Hogg, JP



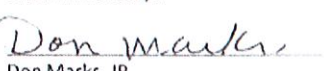
Kerry Stragner, JP



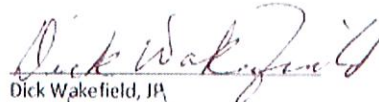
Bobby Don Turner, JP



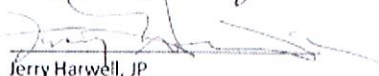
Brent Pinkerton, JP



Don Marks, JP



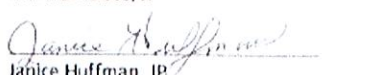
Dick Wakefield, JP



Jerry Harwell, JP



Martha Hobbs, JP



Janice Huffman, JP



To Whom it May Concern:

Rich Mountain Electric Cooperative understands that Pinnacle Telecom is applying for a grant to help them deploy fiber broadband throughout our territory.

Broadband service connects businesses and individuals to the global marketplace. It has become an essential quality-of-life amenity for many. Broadband allows for a more flexible lifestyle by providing greater access to education through distance learning programs or remote employment. Existing economic literature demonstrates a variety of benefits that result from broadband, including greater economic growth, higher levels in the quality of healthcare and education, and greater civic participation, among others.

Rich Mountain Electric Cooperative supports Pinnacle Telecom in its effort to extend fiber broadband to all our Members.

A handwritten signature in black ink, appearing to read "Brad Castor", is written over a horizontal line.

Brad Castor
President/ CEO
Rich Mountain Electric Cooperative, Inc.

Kevin Smith
HOWARD COUNTY JUDGE



August 21, 2020

Rural Broadband Grant
UAMS
2020 University of Arkansas for Medical Services
Little Rock, AR

421 North Main Street
Nashville, Arkansas 71852
870-845-7500 Office
870-845-2056 Shop
870-845-7505 FAX

TO WHOM IT MAY CONCERN:

I am writing in support of Pinnacle Telecom, who is applying for the Rural Broadband Grant. With the challenging time we live in with the COVID-19 pandemic, more and more people in our community are working from home, attending virtual classrooms or hybrid school from home. Making internet access a need and not a frivolity. The rural community is in serious need of internet access.

I would sincerely appreciate your time and consideration for the good of our rural community in reviewing this application. If you have any questions or would have time to visit with me on this matter, please do not hesitate to contact me at your convenience.

Respectfully,

A handwritten signature in black ink that reads "Kevin Smith". The signature is stylized with a large, sweeping "K" and a cursive "Smith".

Kevin Smith

BUDGET INFORMATION - Non-Construction Programs

OMB Number: 4040-0006
Expiration Date: 02/28/2022

SECTION A - BUDGET SUMMARY

Grant Program Function or Activity (a)	Catalog of Federal Domestic Assistance Number (b)	Estimated Unobligated Funds		New or Revised Budget		Total (g)
		Federal (c)	Non-Federal (d)	Federal (e)	Non-Federal (f)	
1. Market Research		\$	\$	\$	\$	\$
2. Broadband Network Designs						
3. Competitive & Financial Analysis						
4. Feasibility Report						
5. Totals		\$	\$	\$	\$	\$

SECTION B - BUDGET CATEGORIES

6. Object Class Categories	GRANT PROGRAM, FUNCTION OR ACTIVITY				Total (5)
	(1) Market Research	(2) Broadband Network Designs	(3) Competitive & Financial Analysis	(4) Feasibility Report	
a. Personnel	\$ 10,750.00	\$ 34,500.00	\$ 15,750.00	\$ 10,500.00	\$ 71,500.00
b. Fringe Benefits					
c. Travel		2,500.00		1,000.00	3,500.00
d. Equipment					
e. Supplies					
f. Contractual					
g. Construction					
h. Other					
i. Total Direct Charges (sum of 6a-6h)	10,750.00	37,000.00	15,750.00	11,500.00	75,000.00
j. Indirect Charges					
k. TOTALS (sum of 6i and 6j)	\$ 10,750.00	\$ 37,000.00	\$ 15,750.00	\$ 11,500.00	\$ 75,000.00
7. Program Income	\$	\$	\$	\$	\$

Authorized for Local Reproduction

SECTION C - NON-FEDERAL RESOURCES

(a) Grant Program	(b) Applicant	(c) State	(d) Other Sources	(e) TOTALS
8. Market Research	\$	\$	\$	\$
9. Broadband Network Plan				
10. Competitive & Financial Analysis				
11. Feasibility Report				
12. TOTAL (sum of lines 8-11)	\$	\$	\$	\$

SECTION D - FORECASTED CASH NEEDS

	Total for 1st Year	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
13. Federal	\$	\$	\$	\$	\$
14. Non-Federal	\$				
15. TOTAL (sum of lines 13 and 14)	\$	\$	\$	\$	\$

SECTION E - BUDGET ESTIMATES OF FEDERAL FUNDS NEEDED FOR BALANCE OF THE PROJECT

(a) Grant Program	FUTURE FUNDING PERIODS (YEARS)			
	(b) First	(c) Second	(d) Third	(e) Fourth
16. Market Research	\$	\$	\$	\$
17. Broadband Network Plan				
18. Competitive & Financial Analysis				
19. Feasibility Report				
20. TOTAL (sum of lines 16 - 19)	\$	\$	\$	\$

SECTION F - OTHER BUDGET INFORMATION

21. Direct Charges:		22. Indirect Charges:	
23. Remarks:			

**Rural Broadband I.D. Trust Fund Program
Cover Sheet**

Applicant Name: Arkansas County

Applicant Address: 101 Court Square, DeWitt, AR 72042

Applicant Phone Number: 870-946-4321

Applicant Email Address: arcojudge@centurytel.net

Applicant Tax ID or EIN Number: 71-6002368

Key Contact Person: Judge Eddie Best

Total Amount Requested: \$75,000.00

Project Description:

Arkansas County has a population of 17,486 with incorporated cities of Almyra, DeWitt, Gillet, Humphrey, St. Charles, and Stuttgart. There are 11,691 individual address locations in Arkansas County of which only 2,855 are deemed to have adequate broadband service that meets the FCC guidelines of 25/3. Only 24% of the 11,691 locations have access to broadband that meets the FCC guidelines leaving 76% of the county with inadequate service. First Electric Cooperative serves 3600 active electric services in two areas in Arkansas County. Of those locations, 2900 are in designated areas of underserved or unserved portions of Arkansas County.

Arkansas County must partner with a company to bring broadband service to all citizens and promote economic growth and stabilization. The COVID-19 Pandemic has accentuated the need for rural broadband. Schools, businesses, farmers, and medical facilities are suffering due to the lack quality broadband services. This is the reason Arkansas County approached First Electric and its subsidiary Connect 2 First Internet and asked them to consider deploying a fiber to the home broadband network in Arkansas County. Arkansas County will:

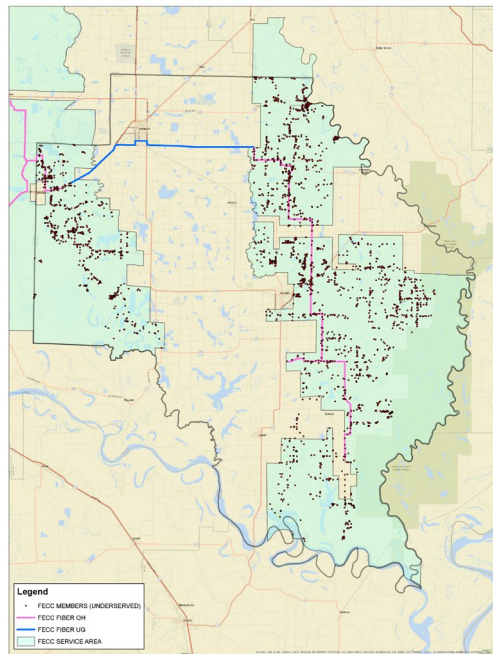
- Contract with FECC and C2FI to develop strategies for designing and deploying a fiber broadband network
- Work with FECC and C2FI to promote and broadband initiatives to local businesses and residents
- Continue to look for other funding and partnership opportunities relating to broadband development in rural parts of the county

- **Project Narrative**

Introduction (up to 30 points)

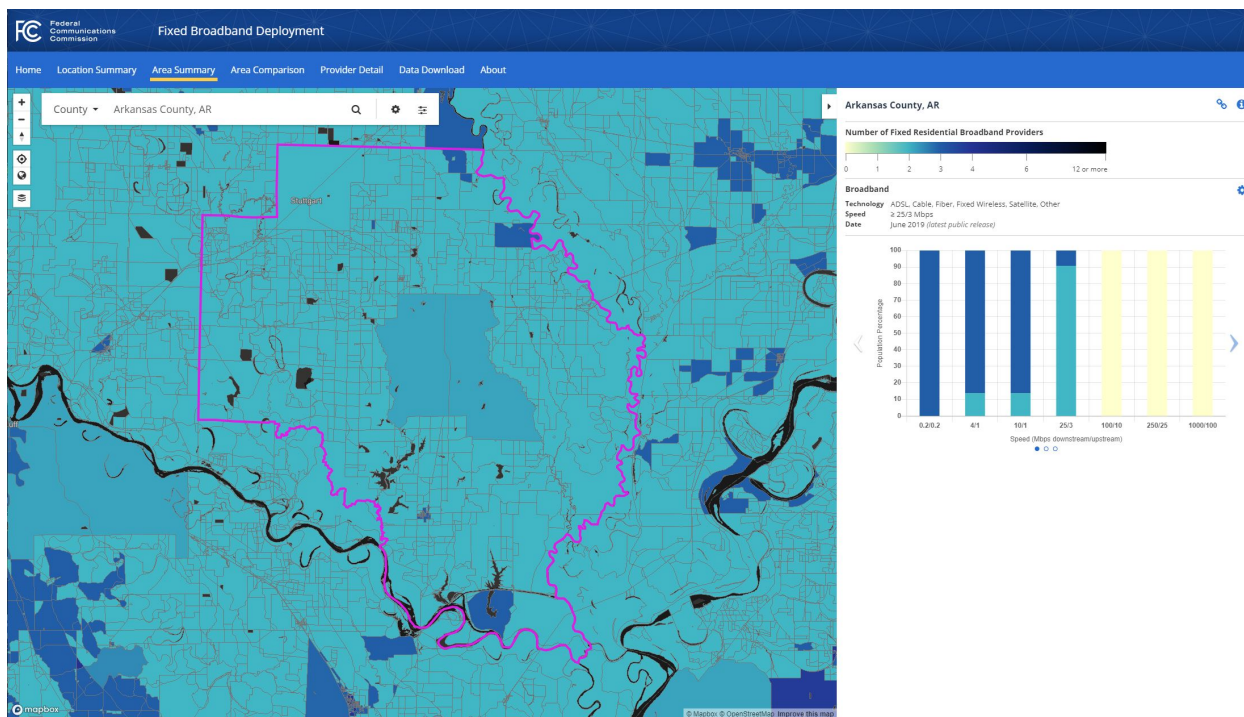
Proposed Service Area

The proposed service area will include all service areas served by First Electric and portions outside of the electric service area where their fiber backbone is located. The map below reflects the FECC service area Fiber Route backbone route, and member locations.



Percent of your proposed service area that is unserved by 25/3 broadband

This is the broadband coverage for Arkansas County:



According to the FCC, two providers offer 25/3 broadband to 90% of our county's residents. Three providers offer 25/3 broadband service to 9% of our county's residents.

Total population, number of residents who are rural and urban

According to United States Census Bureau on 7/1/2019, Arkansas County had a population of 17,486. The cities of DeWitt and Stuttgart are identified as Urban Cluster areas with the remaining portions of Arkansas County being recognized as Rural. Stuttgart has a population of 8,866 and DeWitt's population is 3,117. There are no other towns in Arkansas County with a population greater than 2,500. Arkansas County population is 68.5% Urban Cluster and 31.5% Rural.

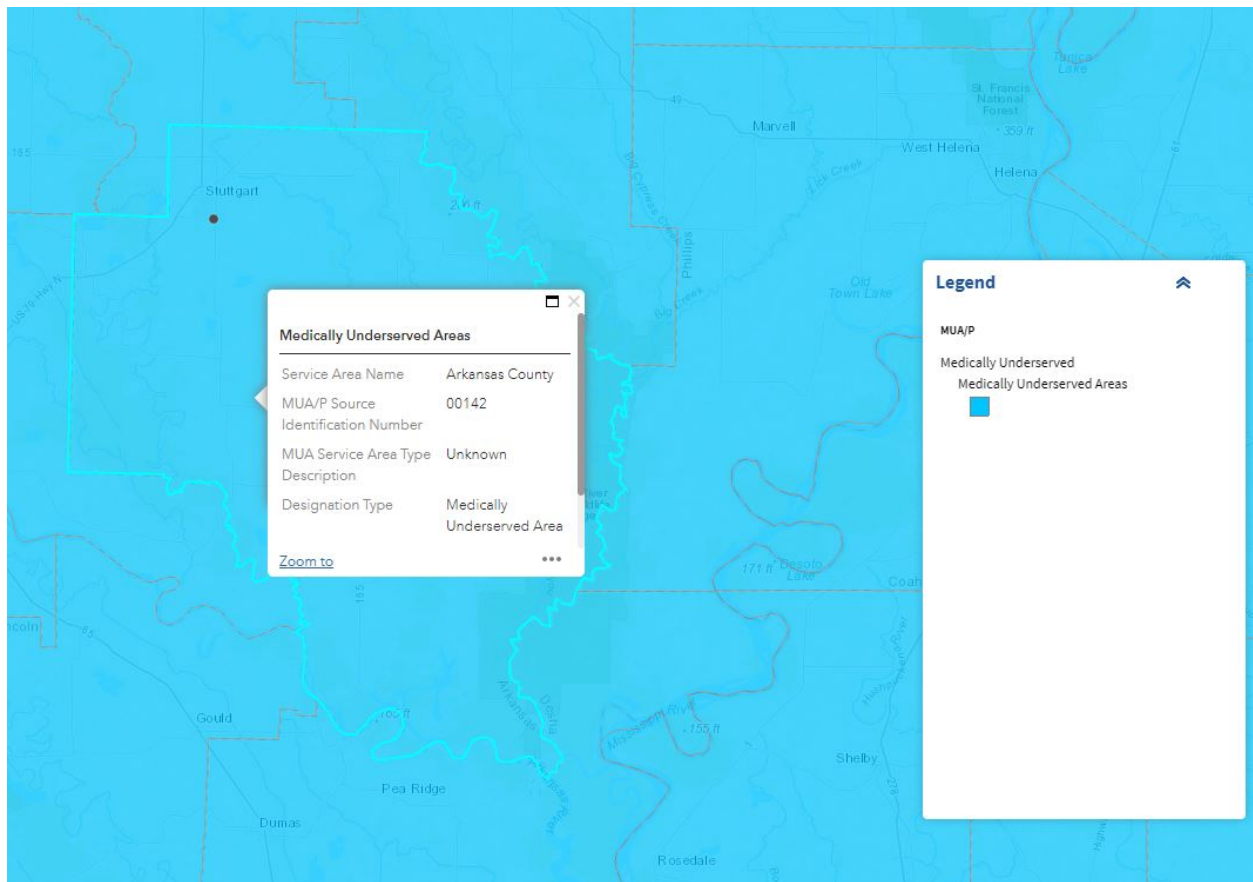
Percent of individuals in your proposed service area who are living in poverty

According to the Small Area Income and Poverty Estimates (SAIPE), 17.9% of Arkansas County individuals are considered to live in poverty.

Medically underserved

Discipline	MUA/P ID	Service Area Name	Designation Type	Primary State Name	County	Index of Medical Underservice Score	Status	Rural Status	Designation Date	Update Date
Primary Care	00142	Arkansas County	Medically Underserved Area	Arkansas	Arkansas County, AR	58.1	Designated	Rural	11/01/1978	11/01/1978

The below map from the HRSA website indicates all of Arkansas County is Medically Underserved.



Description of need (up to 30 points)

Staffing needs:

The leaders of Arkansas County have no experience in broadband deployment. However, we do have experience in evaluating and hiring consultants and contractors, managing budgets, and completing projects in a timely manner. Arkansas County handles a budget of \$9,853,319.00 annually and manages \$1,368,671.00 existing contracts for consultants and other contractors.

Population needs:

According to the US Census Bureau QuickFacts, 20.3% of Arkansas County population is over the age of 65. Our county has a mix of 69.1% White, 25% Black or African American, .3% American Indian and Alaska Native, .8% Asian, 1.2% Two or More Races, and 3.4% Hispanic or Latino. Most of the county population (age 25+) have a High School diploma or greater (83%). 15% (age 25+) hold a bachelor's degree or higher. The median household income for years 2014-2018 was \$39,466.00.

Broadband needs:

By looking at the broadband coverage in Arkansas County it appears that adequate (25/3) broadband service is available across the entire county and 90% is covered by at least 2 providers. However, it has been well documented that broadband speeds have been overstated in reports to the FCC for years and that these coverages and speeds are unreliable. The citizens of Arkansas County are in dire need of quality broadband service that exceeds the FCC minimum

requirements of 25/3. With the recent events revolving around the COVID-19 Pandemic, the lack for bandwidth, broadband speed, and coverage has been exposed. Teachers, students, employers, employees, and healthcare workers struggle to be able to utilize the online alternatives due to insufficient broadband availability. These are the reasons Arkansas County has taken the initiative to pursue grants such as the Rural ID Expenses Trust Fund.

Internet Service Provider relationship needs:

Arkansas County has had a longstanding relationship with First Electric Cooperative. In fact, Stuttgart was the main office for Riceland Electric Cooperative before being acquired by First Electric Cooperative in the 1990's. Electric Cooperatives were created to provide electric service to those rural areas where large investor owned electric companies refused to go. Arkansas County feels very strong that if rural broadband is successful, it will be on the backs of those that brought electricity to rural America 80+ years ago. We are confident that by partnering with our local Electric Cooperative that we will help to extend high speed broadband to the rural areas of our county.

Financial needs:

Arkansas County officials do not have the expertise to begin a broadband project but a grant like this could help offset feasibility costs for a qualified Internet Service Provider. This grant would help identify the needed infrastructure, design, feasibility, and deployment schedule needed to extend broadband service throughout the county. We understand that there are federal grants available for broadband construction and expansion, and we feel that this grant may strategically position us to compete for these funds.

Community relationship needs:

Arkansas County is in dire need of quality rural broadband. Supporters for such an endeavor include farmers, businesses, schools, government agencies, medical clinics, and rural citizens of Arkansas County. Letters of support from the county Judge and DeWitt School Superintendent are attached.

Description of plan (up to 25 points)

Through this study, we plan to achieve the following:

- Contract with FECC and Connect 2 First Internet to educate our leaders of broadband options and develop strategies to extend broadband into rural Arkansas County.
- The feasibility study and design completed by FECC and Connect 2 First Internet are necessary components of their due diligence business study to bring broadband services to Arkansas County. To complete this, a low-level design is needed to identify the equipment, material, routes, and labor.

Our objectives and timeline are as follows:

Month 1 Objective – Launch Arkansas County Broadband Due Diligence Study

Month 1 Goals:

1. Meet with FECC and Connect 2 First Internet to review due diligence study
2. Contract FECC and Connect 2 First Internet to complete a low-level design

3. Assign a county official to document and create reports as needed to UAMS Institute for Digital Health & Innovation

Month 2 Objective – Make Decisions Related to the Broadband Due Diligence Study

Month 2 Goals:

1. Work with FECC and Connect 2 First on the low-level design
2. Continue holding meetings with FECC and Connect 2 First Internet

Month 3 Objective – Expanding Broadband Due Diligence

Month 3 Goals:

1. Continue holding meetings with FECC and Connect 2 First Internet

Month 4 Objective – Continuing Documenting Needs

Month 4 Goals:

1. Continue holding meetings with FECC and Connect 2 First Internet
2. Receive monthly update about low-level design

Month 5 Objective – Sharing Documented Needs

Month 5 Goals:

1. Share the first draft of the Arkansas County low-level design and UAMS Institute for Digital Health & Innovation
2. Make revisions as needed
3. Continue holding meetings with the FECC and Connect 2 First Internet
4. Receive monthly update about low-level design

Month 6 Objective – Receive Findings of the Feasibility Study

Month 6 Goals:

1. Share final draft of the low-level design with Arkansas County Judge's Office and UAMS Institute for Digital Health & Innovation
2. Determine next steps for further broadband grants, loans, or other necessary steps

Final Products:

1. Low-level design for broadband deployment in FECC service areas inside Arkansas County.

While we are not familiar with the available broadband grants and programs, we are confident, that FECC and Connect 2 First Internet are in tune with that landscape and will work with us to pursue those opportunities.

Budget

Budget Categories	Cost
Personnel	\$5,400
Supplies	\$600
Contractual	\$69,000

Total Request	\$75,000
---------------	----------

Budget Justification (up to 15 points):

Personnel:

Project Director – Annual Salary \$47,981. Our County Judge will act as Project Director, serving as key liaison to the funders and media. He will coordinate meetings and make final decisions on all contractors. Our County Judge will spend an estimated half a day a week on this project for six months, accounting for 5% of his annual salary. Request: \$2,400

Financial Director – Annual Salary \$30,394. Our County Judge Administrative Assistant will act as the Financial Director to this project, securing the surety bond and making financial arrangements for all contractors. They will ensure timelines, objectives, and goals are met, providing troubleshooting as necessary to solve problems while working alongside our Project Director. The County Judge Administrative Assistant will spend an estimated one day weekly on this project for six months, accounting for 10% of their annual salary. Request: \$3,000.

Supplies:

Arkansas County will need office supplies (printing paper, printer ink, folders, postage, etc.), bottled water, and other sundry supplies for its Taskforce meetings. An allowance of \$100 per month is requested to cover these needs. Request: \$600

Contractual:

Feasibility Study Contractor, Broadband Consultant, Needs Assessment Author: FECC and Connect 2 First Internet will be the Internet Service Provider to conduct a low-level design to expand its services to our area. They will also provide any consulting work or outsource to another broadband consulting firm if additional research is required. This contractor will conduct market research, engage partners, model/design the network, and conduct a cost analysis and business plan. FECC and Connect 2 First Internet has informed us that to conduct this study, they need at least three months and \$69,000. We feel this amount will compensate another ISP or electric cooperative should we decide to pursue another feasibility study contractor. Request: \$69,000

Supporting Documents (up to 10 *bonus* points):

See Letters Below:

DEWITT SCHOOL DISTRICT

•Excellence in Education•

Dr. Nick Hill, Superintendent

BOARD OF DIRECTORS

Drew Whiting, President
Brad Koen, Vice-President
Shawanna Wansley, Secretary
Kenneth Graves
Johnny Lockley
Matthew Green
Brandyn England



BUILDING PRINCIPALS

Bobbie Steeland - DeWitt Elementary
Paige Gunnell - Gillett Elementary
Rachel Mitchell - DeWitt Middle School
Clay Ashcraft - DeWitt High School

October 13, 2020

To Whom It May Concern:

The DeWitt School District would like to see broadband internet service more available for the students in our county. It would help the students with completing homework and virtual assignments. The DeWitt School District is writing this letter of support for First Electric.

Sincerely,

A handwritten signature in black ink that reads "Nick Hill".

Dr. Nick Hill
DeWitt School District Superintendent

101 Court Square
DeWitt, Arkansas 72042
Phone: (870) 946-4321
Mobile: (870) 344-3469
Fax: (870) 946-3200



312 South College
Stuttgart, Arkansas 72160
Phone: (870) 673-3051
Fax: (870) 672-4701
Email: arcojudge@centurytel.net

Office of the
ARKANSAS COUNTY JUDGE
Thomas "Eddie" Best

To Whom it May Concern:

I, Arkansas County Judge, Thomas E. Best would like to see our broadband internet services be more available to our county residents. This would be greatly beneficial to businesses, farmers, the general population, and especially to students who would be able to access their online classes more easily. So, I, Thomas E. Best, Arkansas County Judge am writing this letter of support of First Electric.

Sincerely,

A handwritten signature in blue ink that reads "Thomas E. Best".

Thomas E. Best
Arkansas County Judge

**Rural Broadband I.D. Trust Fund Program
Cover Sheet**

Applicant Name: City of Benton, AR

Applicant Address: 114 S. East Street Benton, AR 72015

Applicant Phone Number: 501-315-6008

Applicant Email Address: mayorfarmer@bentonar.org

Applicant Tax ID or EIN Number: 71-6000806

Key Contact Person: Mayor Tom Farmer

Total Amount Requested: \$40,000.00

Project Description:

The city of Benton has a population of 36,820. There are 15,146 individual address locations in the city of Benton. First Electric Cooperative serves 2,429 electric services inside the city limits of Benton.

The city of Benton must partner with a company to bring reliable and affordable broadband service to all citizens and promote economic growth and stabilization. The COVID-19 Pandemic has accentuated the need for rural broadband. Schools, businesses, farmers, and medical facilities are suffering due to the lack quality broadband services. This is the reason the city of Benton approached First Electric and its subsidiary Connect 2 First Internet and asked them to consider deploying a fiber to the home broadband network in the city limits of Benton. The city of Benton will:

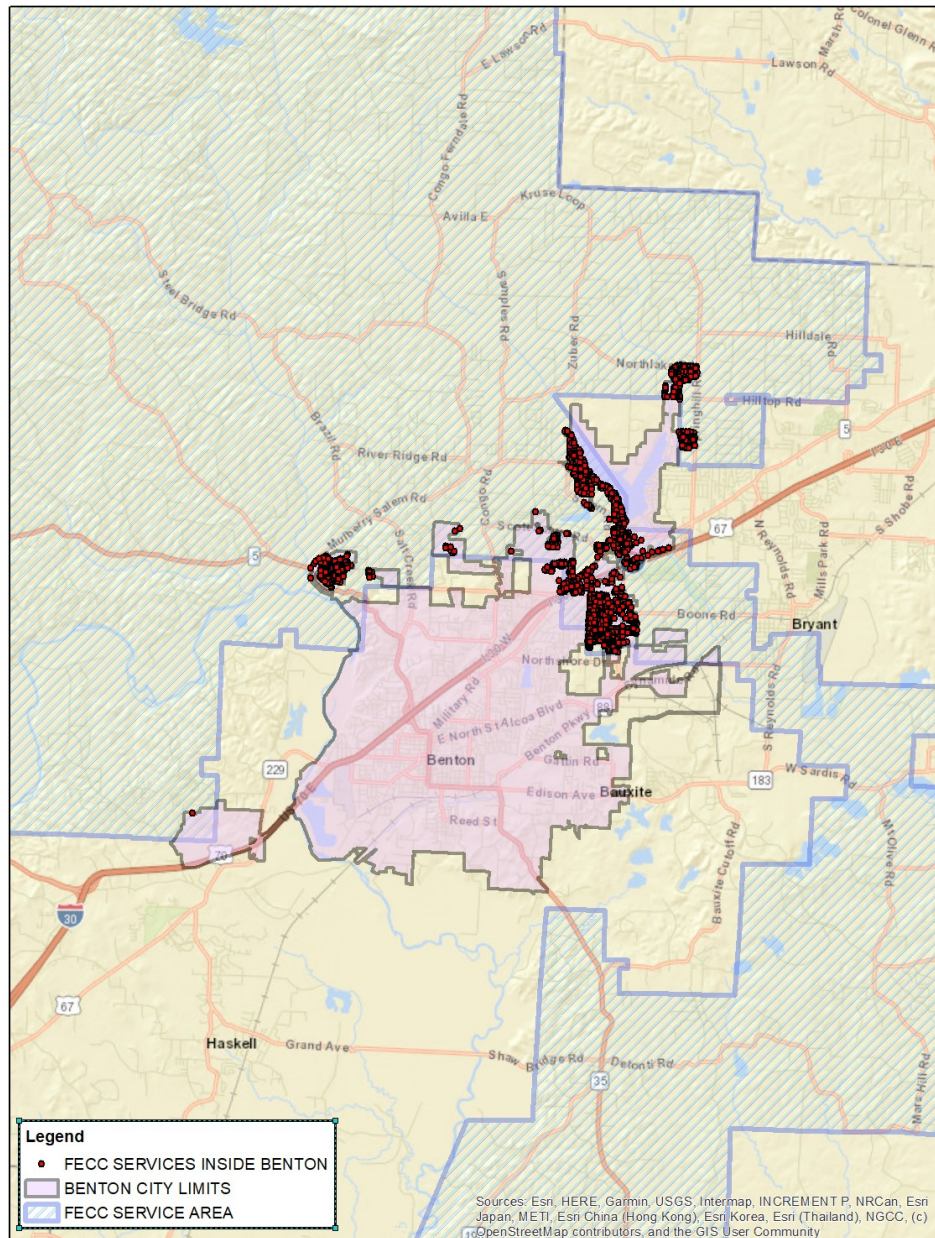
- Contract with FECC and C2FI to develop strategies for designing and deploying a fiber broadband network
- Work with FECC and C2FI to promote and broadband initiatives to local businesses and residents
- Continue to look for other funding and partnership opportunities relating to broadband development.

- **Project Narrative**

Introduction (up to 30 points)

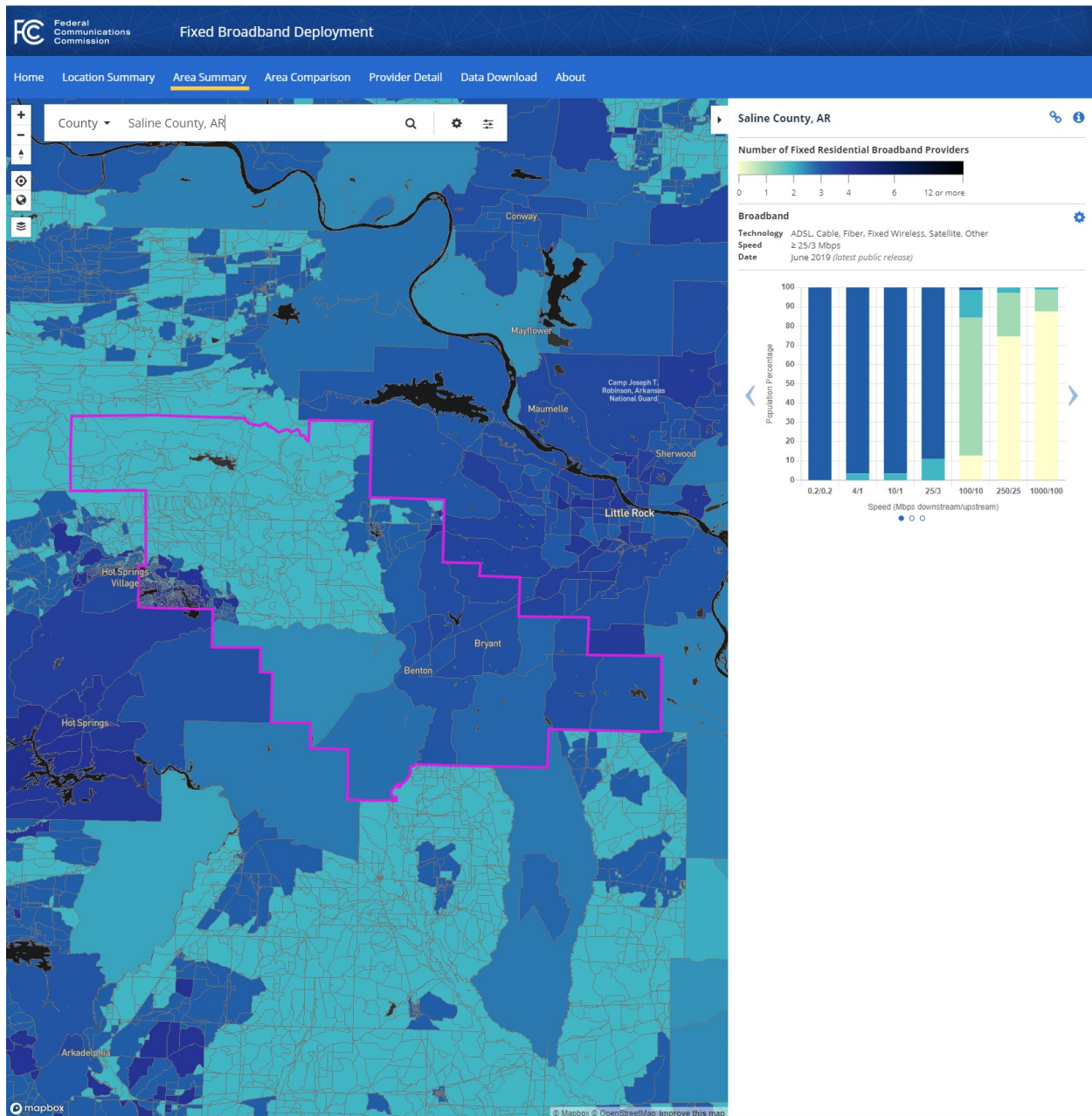
Proposed Service Area

The service area for this application will cover 16% of the individual address points inside Benton city limits. Connect 2 First will deploy fiber to the home to all First Electric members that desire to subscribe to broadband services offered by Connect 2 First that are inside Benton city limits.



Percent of your proposed service area that is unserved by 25/3 broadband

This is the broadband coverage for Saline County:



According to the FCC, three providers offer 25/3 broadband to 88.98% of our county's residents. Two providers offer 25/3 broadband service to 11.02% of our county's residents.

Total population, number of residents who are rural and urban

According to United States Census Bureau on 7/1/2019, Saline County had a population of 122,437. Saline County is 64% urban and 36% rural. The City of Benton is 99% Urban and 1% rural.

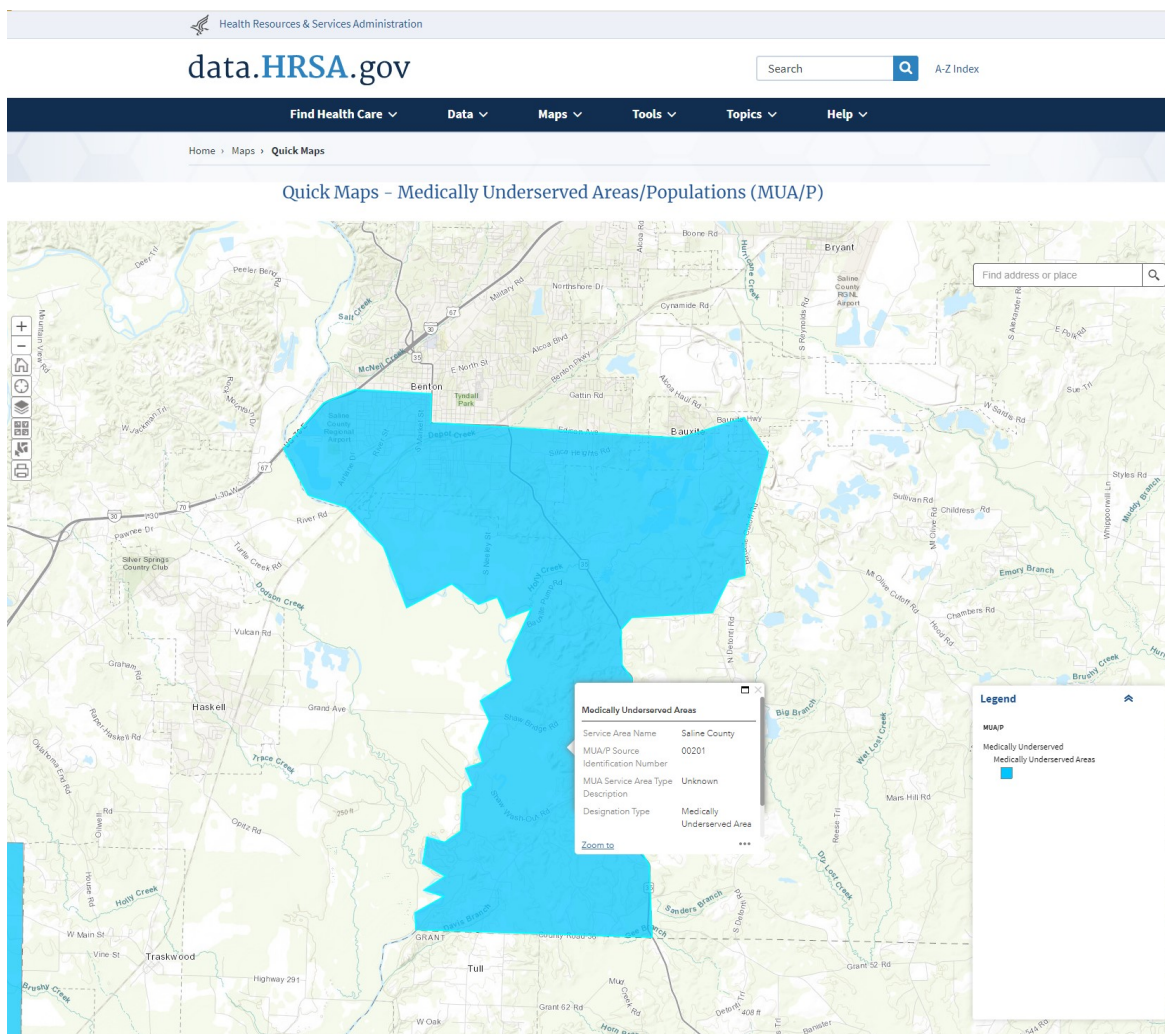
Percent of individuals in your proposed service area who are living in poverty

According to the Small Area Income and Poverty Estimates (SAIPE), 9.7% of Saline County individuals are considered to live in poverty and 8.9% for the citizens inside Benton city limits.

Medically underserved

	Discipline ⓘ ▲	MUA/P ID ⓘ ▲	Service Area Name ⓘ ▲	Designation Type ⓘ ▲	Primary State Name ⓘ ▲	County ⓘ ▲	Index of Medical Underservice Score ⓘ ▲	Status ⓘ ▲	Rural Status ⓘ ▲	Designation Date ⓘ ▲	Update Date ⓘ ▲
+	Primary Care	00201	Saline County	Medically Underserved Area	Arkansas	Saline County, AR	57.4	Designated	Non-Rural	05/11/1994	05/11/1994

The below map from the HRSA website indicates a portion of Saline County is Medically Underserved and some of that area is inside Benton City limits.



Description of need (up to 30 points)

Staffing needs:

Benton city officials have no experience in broadband deployment. However, we do have experience in evaluating and hiring consultants and contractors, managing budgets, and completing projects in a timely manner. The City of Benton handles a budget of \$28,810,891.00 annually and manages \$3 million in yearly contracts and \$6.9 million per year in construction projects.

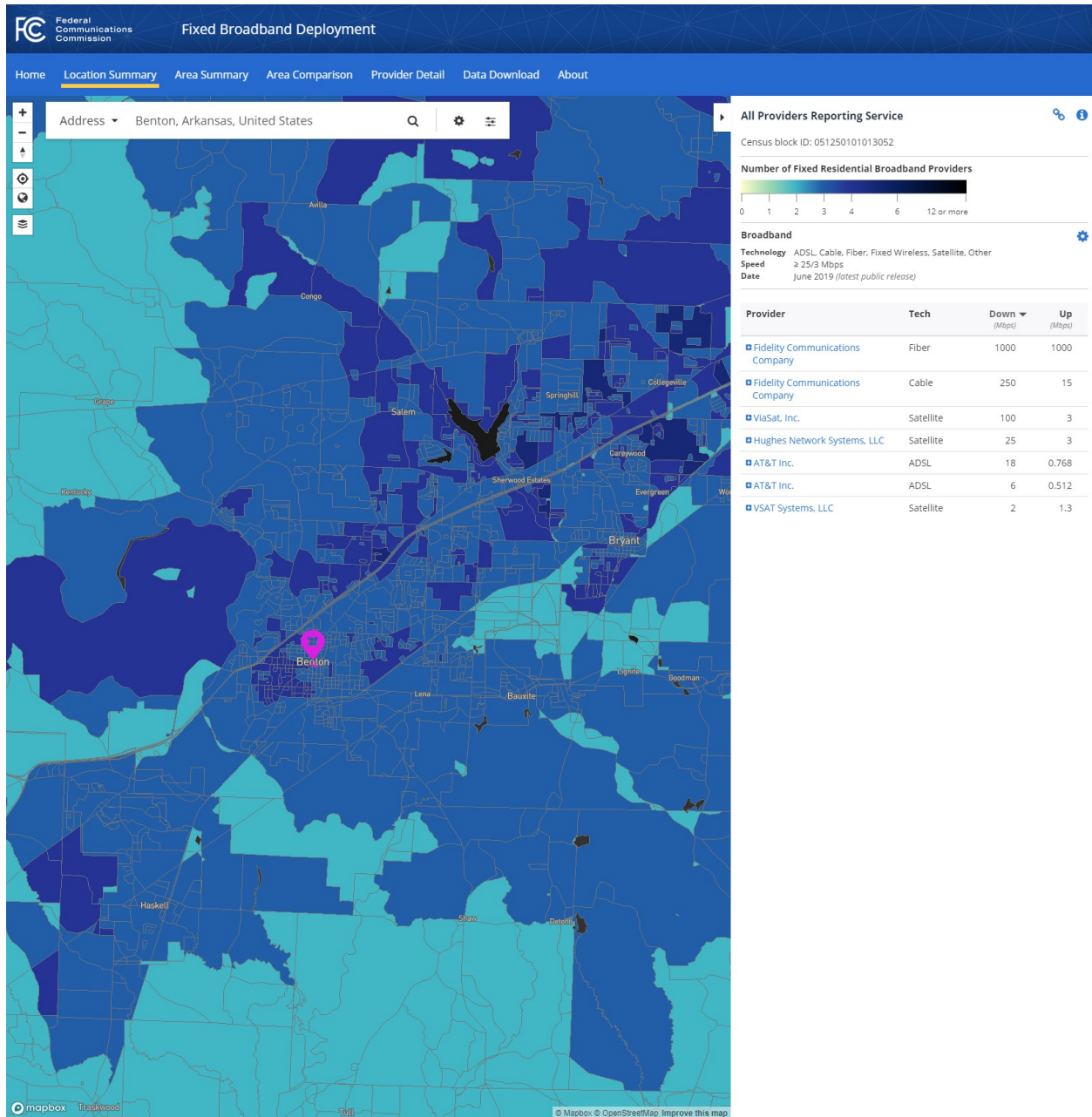
Population needs:

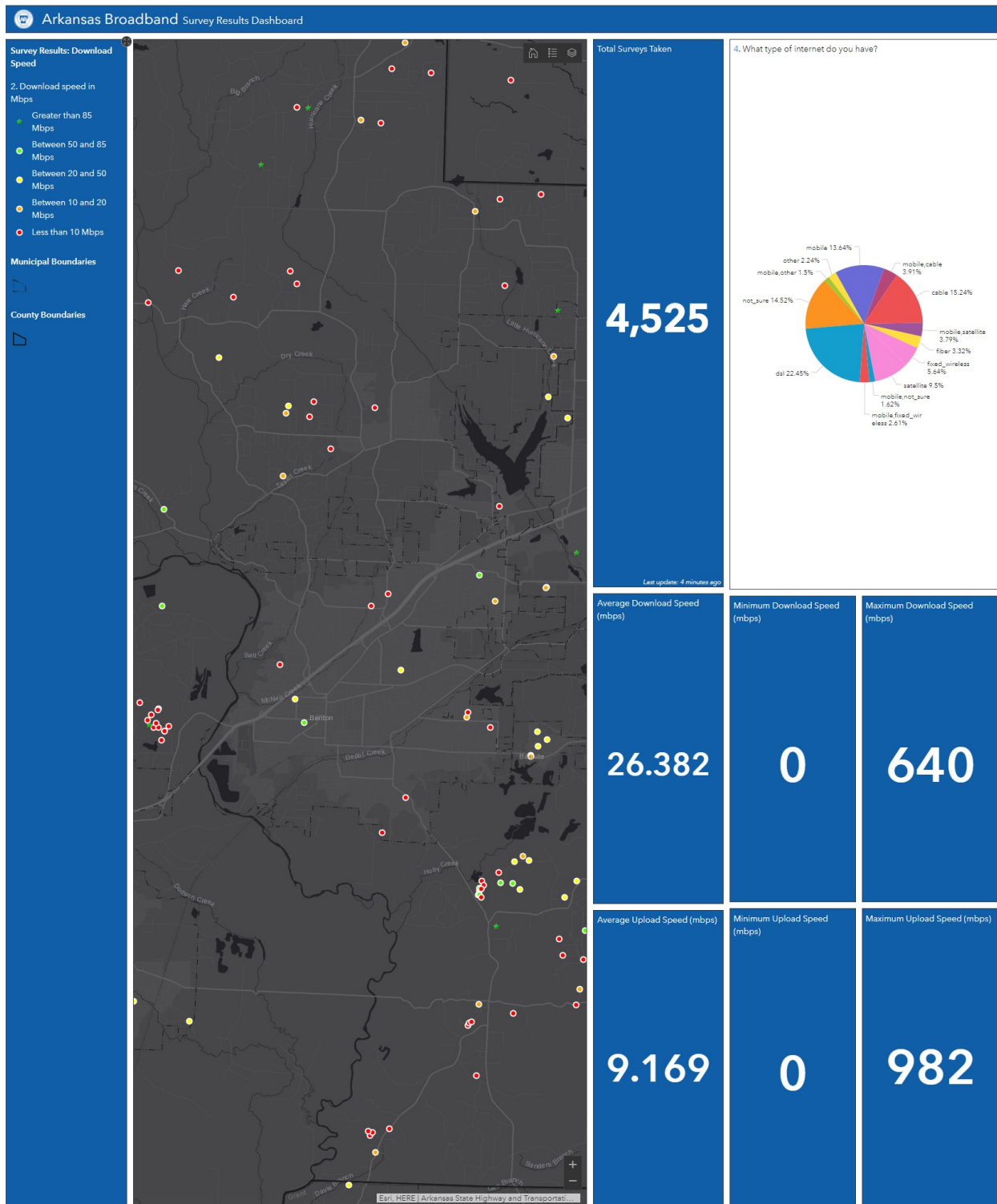
According to the US Census Bureau QuickFacts, 14.8% of Benton population is over the age of 65. Benton has a mix of 86.0% White, 8.8% Black or African American, .7% American Indian and Alaska Native, .1.7% Asian, 1.8% Two or More Races, and 5.1% Hispanic or Latino. Most of the city population (age 25+) have a High School diploma or greater (88.6%). 27.0% (age 25+) hold a bachelor's degree or higher. The median household income for years 2014-2018 was \$55,805.00.

Broadband needs:

By looking at the broadband coverage in Benton it appears that adequate (25/3) broadband service is available across the entire city and 100% is covered by at least 2 or more providers. However, it has been well documented that broadband speeds have been overstated in reports to the FCC for years and that these coverages and speeds are unreliable. The citizens of Benton are in dire need of quality broadband service that exceeds the FCC minimum requirements of 25/3. With the recent events revolving around the COVID-19 Pandemic, the lack for bandwidth, broadband speed, and coverage has been exposed. Teachers, students, employers, employees, and healthcare workers struggle to be able to utilize the online alternatives due to insufficient broadband availability. These are the reasons why Benton has taken the initiative to pursue grants such as the Rural ID Expenses Trust Fund. The map below comes from the Arkansas Broadband Speed Test. Even though the FCC website shows multiple ISPs provide service at or above the 25/3 level, there are multiple speed test results that show differently. Data from the results show that users are generally not satisfied with their service and would even pay more for a different option. Some of these tests were even performed on the Fidelity cable network and ATT DSL, which both are supposed to provide greater than 100Mbps download speed. Even when the download speeds exceed 100Mbps, the users comments strongly suggest that they are Somewhat Dissatisfied or Very Dissatisfied in reliability and cost. Gigabit speeds are advertised on the FCC fixed broadband deployment summary page but there have not been any reported speed tests that confirm this.

Benton Broadband ISP Providers





Internet Service Provider relationship needs:

The city of Benton has had a longstanding relationship with First Electric Cooperative. The citizens of Benton feel very strong that the electric cooperatives that brought electricity to rural America 80+ years ago are well positioned to deploy fiber to the home for both rural and urban

areas. We are confident that by partnering with our local Electric Cooperative that we will help to extend high speed broadband to the citizens of Benton.

Financial needs:

Benton officials do not have the expertise to begin a broadband project but a grant like this could help offset feasibility costs for a qualified Internet Service Provider. This grant would help identify the needed infrastructure, design, feasibility, and deployment schedule needed to extend broadband service throughout our community. We understand that there are federal grants available for broadband construction and expansion, and we feel that this grant may strategically position us to compete for these funds.

Community relationship needs:

The city leaders which have shown support for this initiative are Mayor Tom Farmer, Saline County Judge Jeff Arey, Dr. Jared Dixon, the Benton City Council, the City Clerk, and a wide array of developers working in and around Saline County.

They are supporting this grant application due to the outcry of many in our city and the surrounding areas regarding the lack of access to fast, reliable internet. The past year has shown many of our city leaders, business professionals, and educators the significant need for high-speed broadband service. The reality is that many people in Saline County are unable to work from home or do virtual learning, and, in this time of COVID-19, it has put struggling families at a severe disadvantage. If fiber access was an option, a vast number of people would benefit and our economy would be less affected.

Description of plan (up to 25 points)

Through this study, we plan to achieve the following:

- Contract with FECC and Connect 2 First Internet to educate our leaders of broadband options and develop strategies to extend broadband into the city of Benton.
- The feasibility study and design completed by FECC and Connect 2 First Internet are necessary components of their due diligence business study to bring broadband services to the city of Benton. To complete this, a low-level design is needed to identify the equipment, material, routes, and labor.

Our objectives and timeline are as follows:

Month 1 Objective – Launch city of Benton Broadband Due Diligence Study

Month 1 Goals:

1. Meet with FECC and Connect 2 First Internet to review due diligence study
2. Contract FECC and Connect 2 First Internet to complete a low-level design
3. Assign a city official to document and create reports as needed to UAMS Institute for Digital Health & Innovation

Month 2 Objective – Make Decisions Related to the Broadband Due Diligence Study

Month 2 Goals:

1. Work with FECC and Connect 2 First on the low-level design
2. Continue holding meetings with FECC and Connect 2 First Internet

Month 3 Objective – Expanding Broadband Due Diligence

Month 3 Goals:

1. Continue holding meetings with FECC and Connect 2 First Internet

Month 4 Objective – Continuing Documenting Needs

Month 4 Goals:

1. Continue holding meetings with FECC and Connect 2 First Internet
2. Receive monthly update about low-level design

Month 5 Objective – Sharing Documented Needs

Month 5 Goals:

1. Share the first draft of the city of Benton low-level design and UAMS Institute for Digital Health & Innovation
2. Make revisions as needed
3. Continue holding meetings with the FECC and Connect 2 First Internet
4. Receive monthly update about low-level design

Month 6 Objective – Receive Findings of the Feasibility Study

Month 6 Goals:

1. Share final draft of the low-level design with Benton Mayor and UAMS Institute for Digital Health & Innovation
2. Determine next steps for further broadband grants, loans, or other necessary steps

Final Products:

1. Low-level design for broadband deployment in FECC service areas in the city of Benton.

While we are not familiar with the available broadband grants and programs, we are confident, that FECC and Connect 2 First Internet are in tune with that landscape and will work with us to pursue those opportunities.

Budget

Budget Categories	Cost
Personnel	\$3,700.00
Supplies	\$300.00
Contractual	\$36,000.00
Total Request	\$40,000.00

Budget Justification (up to 15 points):

Personnel:

Project Director – Our Mayor will act as Project Director, serving as key liaison to the funders and media. He will coordinate meetings and make final decisions on all contractors. Our Mayor will spend an estimated half a day a week on this project for six months. Compensation for his time is valued at \$1,500.00. Request: \$1,500.00

Financial Director – Our Mayor will appoint the Financial Director from his staff. The Financial Director will secure the surety bond and make financial arrangements for all contractors. This person will ensure timelines, objectives, and goals are met, providing troubleshooting as necessary to solve problems while working alongside our Project Director. The Financial Director will spend an estimated one day weekly on this project for six months. Compensation for the Financial Director’s time is valued at \$2,200.00. Request: \$2,200.00

Supplies:

The city of Benton will need office supplies (printing paper, printer ink, folders, postage, etc.), bottled water, and other sundry supplies for meetings. An allowance of \$50.00 per month is requested to cover these needs. Request: \$300.00

Contractual:

Feasibility Study Contractor, Broadband Consultant, Needs Assessment Author: FECC and Connect 2 First Internet will be the Internet Service Provider to conduct a low-level design to expand its services to our area. They will also provide any consulting work or outsource to another broadband consulting firm if additional research is required. This contractor will conduct market research, engage partners, model/design the network, and conduct a cost analysis and business plan. FECC and Connect 2 First Internet has informed us that to conduct this study, they need at least three months and \$36,000. We feel this amount will compensate another ISP or electric cooperative should we decide to pursue another feasibility study contractor. Request: \$36,000

Supporting Documents (up to 10 *bonus* points):



CITY OF BENTON

BENTON, ARKANSAS

Tom Farmer
MAYOR

10-23-2020

Re: Broadband support letter

To Whom It May Concern:

I have been Benton's mayor for nearly two years, and it has become apparent to me that City of Benton needs more technological resources to bring to its residents. Broadband is so often thought of for entertainment – gaming and movies, but it is an essential utility for e-commerce for our small businesses, a means of learning for our students, a method of continuing education for our adult learners, and a way of bringing healthcare into our community and homes. Without good broadband, Benton cannot reasonably grow. In essence, we are cut off from the rest of the world. I also believe some of our residents, perhaps those who are older adults, should learn about this technology and decide whether and how to embrace the technology in their daily lives. Broadband is a utility that we just can't live without any longer in Benton. I feel the Rural Broadband I.D. Trust Fund grant is a possible avenue for us to collect our thoughts, prepare for a larger broadband grant, and align with an ISP or electric cooperative to plan and eventually implement a long-term plan for improved broadband.

Respectfully,

Tom Farmer
Mayor
City of Benton



Family Practice Associates

Mark Albey, M.D.
James Cooper, M.D.
Kirk Watson, M.D.
Lisa Barker, M.D.
Jared Dixon, M.D.
Kristen Wright-Pollich, M.D.
Evelyn Cathcart, M.D.
Joseph Morgan, D.O.

1304 Military Rd.
Benton, AR 72015
Phone: (501) 778-0934
Fax: (501) 778-1013

Re: Broadband support letter

To Whom It May Concern:

I am writing to express my support for the City of Benton's Rural Broadband I.D. Trust Fund Program grant application. As a local Physician, I must stress the need for adequate, reliable, and affordable broadband to keep our staff employed and also improve the productivity among our workers. When the COVID-19 pandemic ensued, many of our doctors and office staff were asked to work from home to mitigate spread of Coronavirus. However, so few of our office workers had access to reliable broadband at home that at least half of our office workers had to come to the office to work, despite our best attempts to allow a work-from-home schedule. We constantly struggle because of unreliable broadband. Moreover, our staff report their current Internet Service Providers have customer service that falls drastically short of their expectations, and we need more options by way of wide broadband internet.

I gladly support the pursuit of improving broadband options in Benton, Arkansas.

Kind regards,

Jared Dixon, MD

Jeff Arey



Saline County Judge

October 26, 2020

Re: Broadband support letter

To Whom It May Concern:

I am writing to express Saline County's support for the City of Benton Rural Broadband I.D. Trust Fund Program grant application. For some time, I have heard from members of our community regarding broadband services to their home and businesses. By applying for the Rural Broadband I.D. Trust Funds grant we will have the financial means to conduct a broadband feasibility study to see what is needed and how we can help expand our services throughout the county. We are encouraged that the city is committed to this plan and we look forward to seeing how Benton and Saline County can move forward with reliable and affordable broadband service.

You have our support in seeking more and better options for broadband in Saline County.

Respectfully,

Jeff Arey
Saline County Judge

Saline County Courthouse, 200 North Main Street, Suite 117, Benton, AR 72015

501-303-5610

jeffarey@salinecounty.org

**Rural Broadband I.D. Trust Fund Program
Cover Sheet**

Applicant Name: City of Cabot, AR

Applicant Address: 101 North Second Street Cabot, AR 72023

Applicant Phone Number: 501-843-3566

Applicant Email Address: kenkincade@cabotar.gov

Applicant Tax ID or EIN Number: 71-0334905

Key Contact Person: Mayor Ken Kincade

Total Amount Requested: \$75,000.00

Project Description:

The city of Cabot has a population of 26,352. There are 8,484 individual address locations in the city of Cabot. First Electric Cooperative serves 4,774 electric services inside the city limits of Cabot.

The city of Cabot must partner with a company to bring reliable and affordable broadband service to all citizens and promote economic growth and stabilization. The COVID-19 Pandemic has accentuated the need for rural broadband. Schools, businesses, farmers, and medical facilities are suffering due to the lack quality broadband services. This is the reason the city of Cabot approached First Electric and its subsidiary Connect 2 First Internet and asked them to consider deploying a fiber to the home broadband network in the city limits of Cabot. The city of Cabot will:

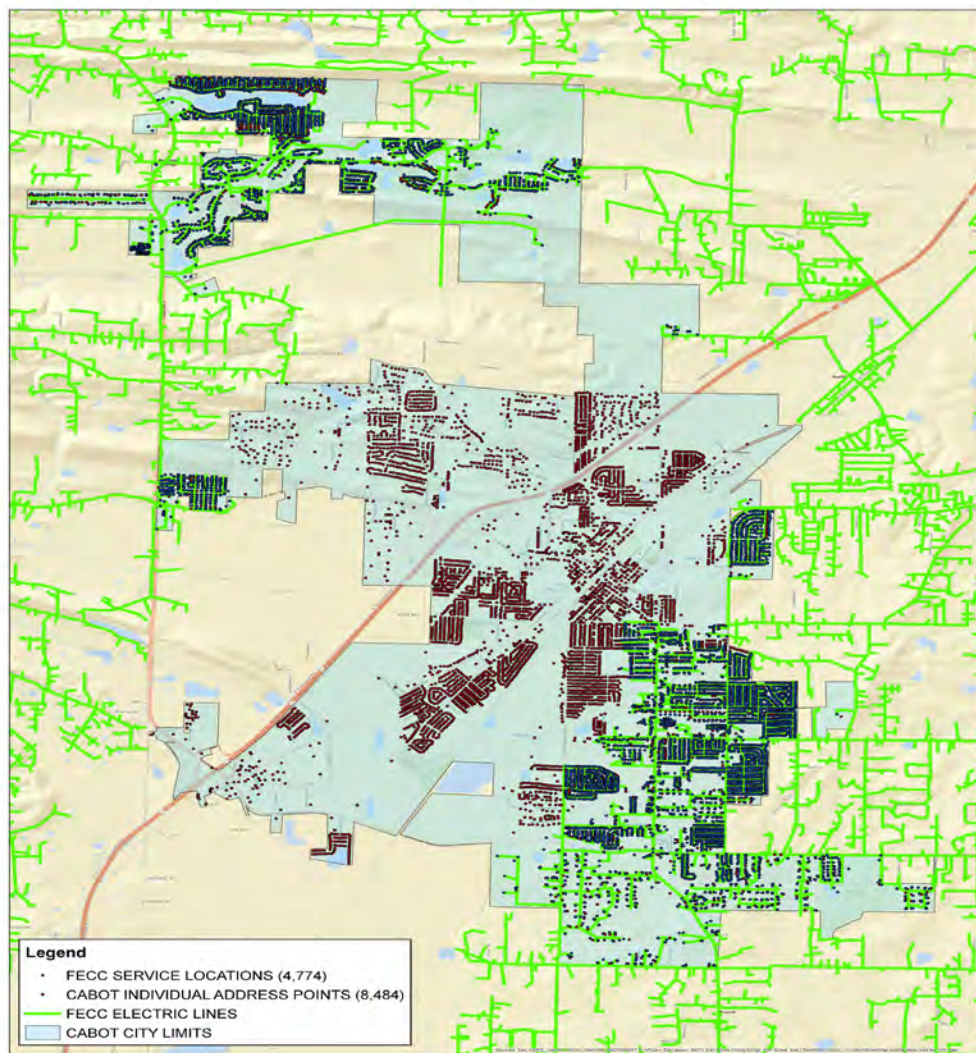
- Contract with FECC and C2FI to develop strategies for designing and deploying a fiber broadband network
- Work with FECC and C2FI to promote and broadband initiatives to local businesses and residents
- Continue to look for other funding and partnership opportunities relating to broadband development.

- **Project Narrative**

Introduction (up to 30 points)

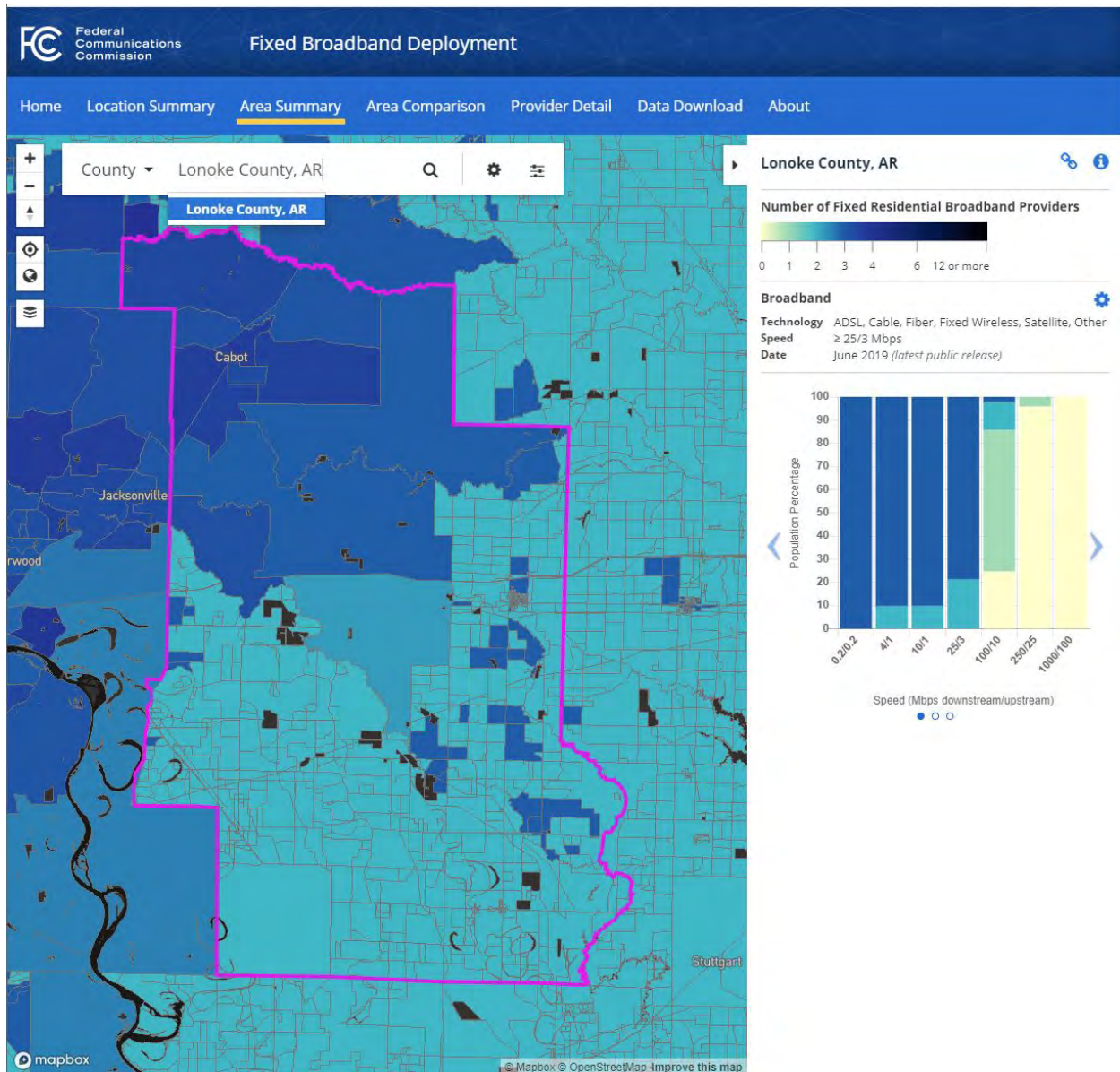
Proposed Service Area

The service area for this application will cover 56% of the individual address points inside Cabot city limits. Connect 2 First will deploy fiber to the home to all First Electric members that desire to subscribe to broadband services offered by Connect 2 First that are inside Cabot city limits.



Percent of your proposed service area that is unserved by 25/3 broadband

This is the broadband coverage for Lonoke County:



According to the FCC, three providers offer 25/3 broadband to 78.81% of our county's residents. Two providers offer 25/3 broadband service to 21.19% of our county's residents.

Total population, number of residents who are rural and urban

According to United States Census Bureau on 7/1/2019, Lonoke County had a population of 73,309. The cities of Cabot and Ward are classified as Urban Clusters by definition and population but are considered part of the Urban area of the greater Little Rock area. England,

Lonoke, and Austin are identified as Urban Cluster areas with the remaining portions of Lonoke County being recognized as Rural. Cabot has a population of 26,352, England has a population of 2,825, Austin has a population of 3,043, Lonoke has a population of 4,245, and Ward's population is 5,358. There are no other towns in Lonoke County with a population greater than 2,500. Lonoke County population is 52.8% Urban Cluster and 47.2% Rural.

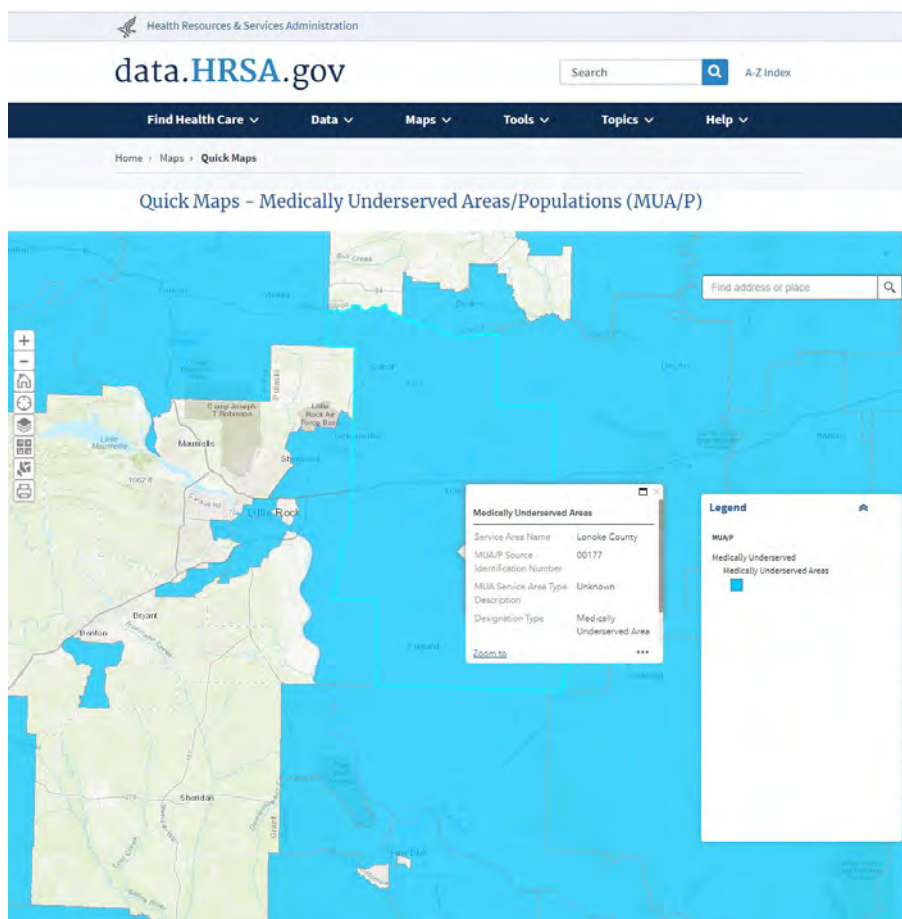
Percent of individuals in your proposed service area who are living in poverty

According to the Small Area Income and Poverty Estimates (SAIPE), 11.9% of Lonoke County individuals are considered to live in poverty and 12.3% for the citizens inside Cabot city limits.

Medically underserved

	Discipline ⓘ ▲	MUA/P ID ⓘ ▼	Service Area Name ⓘ ▲	Designation Type ⓘ ▲	Primary State Name ⓘ ▼	County ⓘ ▼	Index of Medical Underservice Score ⓘ ▼	Status ⓘ ▼	Rural Status ⓘ ▼	Designation Date ⓘ ▼	Update Date ⓘ ▼
+	Primary Care	00177	Lonoke County	Medically Underserved Area	Arkansas	Lonoke County, AR	45.9	Designated	Partially Rural	11/01/1978	11/01/1978

The below map from the HRSA website indicates all of Lonoke County is Medically Underserved.



Description of need (up to 30 points)

Staffing needs:

Cabot city officials have no experience in broadband deployment. However, we do have experience in evaluating and hiring consultants and contractors, managing budgets, and completing projects in a timely manner. The City of Cabot manages yearly contracts and contractors totaling \$1.6 million annually.

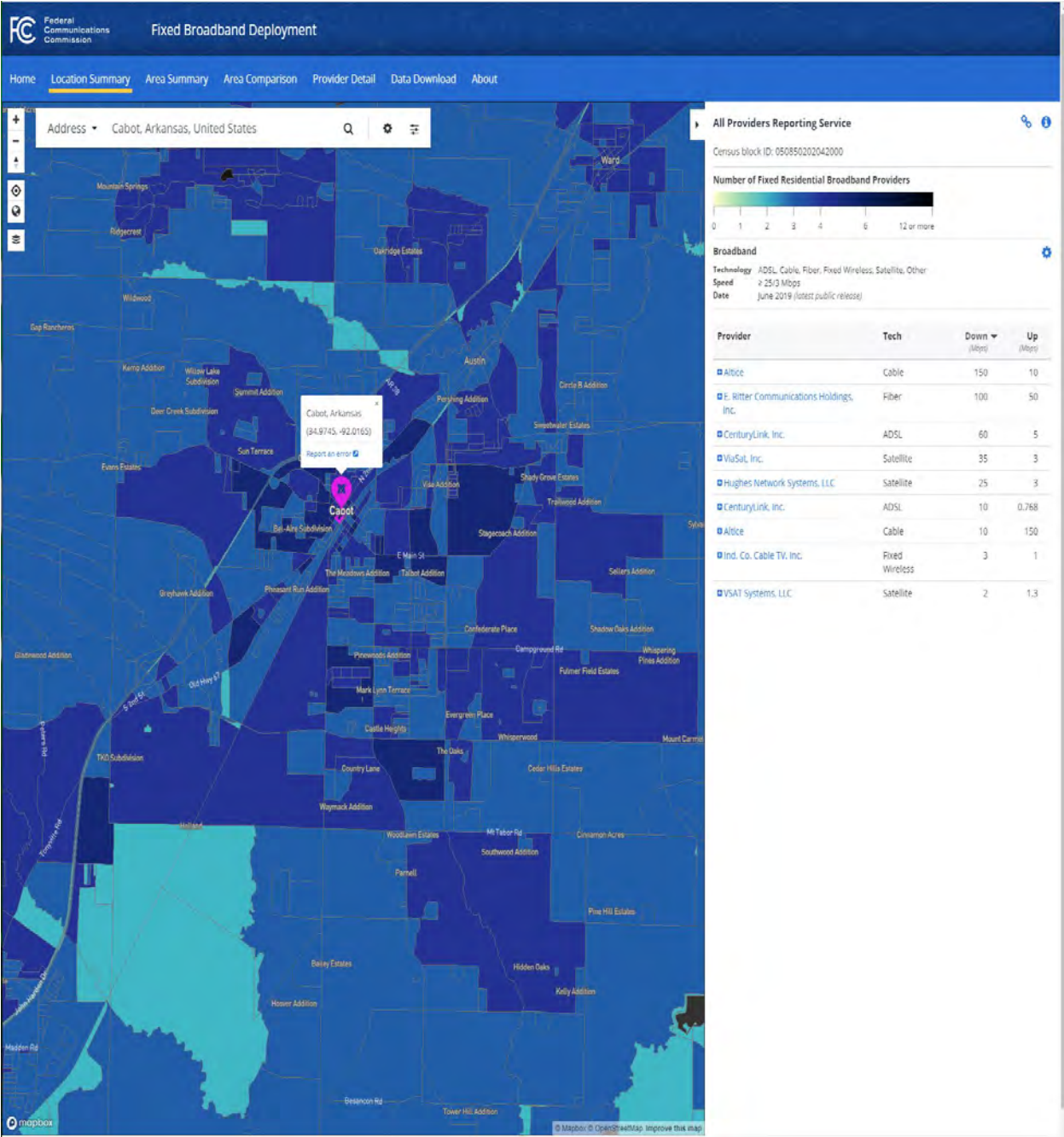
Population needs:

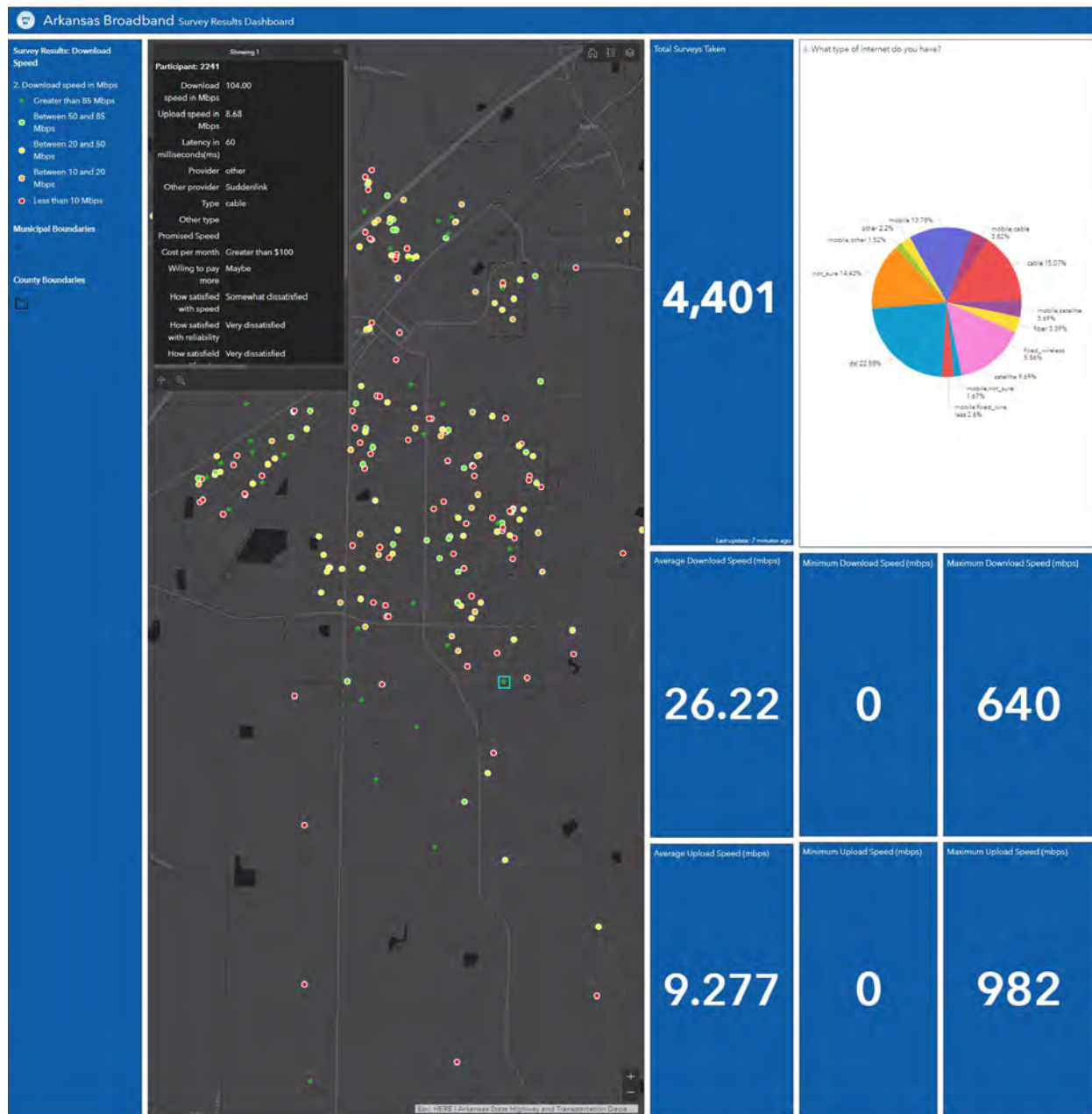
According to the US Census Bureau QuickFacts, 10.8% of Cabot population is over the age of 65. Cabot has a mix of 87.0% White, 2.0% Black or African American, .3% American Indian and Alaska Native, .1.6% Asian, 3.1% Two or More Races, and 6.3% Hispanic or Latino. Most of the city population (age 25+) have a High School diploma or greater (90.8%). 25.1% (age 25+) hold a bachelor's degree or higher. The median household income for years 2014-2018 was \$57,341.00.

Broadband needs:

By looking at the broadband coverage in Cabot it appears that adequate (25/3) broadband service is available across the entire city and 100% is covered by at least 2 or more providers. However, it has been well documented that broadband speeds have been overstated in reports to the FCC for years and that these coverages and speeds are unreliable. The citizens of Cabot are in dire need of quality broadband service that exceeds the FCC minimum requirements of 25/3. With the recent events revolving around the COVID-19 Pandemic, the lack for bandwidth, broadband speed, and coverage has been exposed. Teachers, students, employers, employees, and healthcare workers struggle to be able to utilize the online alternatives due to insufficient broadband availability. These are the reasons why Cabot has taken the initiative to pursue grants such as the Rural ID Expenses Trust Fund. The map below comes from the Arkansas Broadband Speed Test. Even though the FCC website shows multiple ISPs provide service at or above the 25/3 level, there are multiple speed test results that show differently. Data from the results show that users are generally not satisfied with their service and would even pay more for a different option. Some of these tests were even performed on the Suddenlink/Altice cable network which is supposed to provide 150Mbps download speed per the FCC page. Even when the download speeds exceed 100Mbps, the users comments strongly suggest that they are Somewhat Dissatisfied or Very Dissatisfied in reliability and cost.

Cabot Broadband ISP Providers





Internet Service Provider relationship needs:

The city of Cabot has had a longstanding relationship with First Electric Cooperative. Electric Cooperatives were created to provide electric service to those rural areas where large investor owned electric companies refused to go. The citizens of Cabot feel very strong that if rural broadband is successful, it will be on the backs of those that brought electricity to rural America 80+ years ago. We are confident that by partnering with our local Electric Cooperative that we will help to extend high speed broadband to the rural areas of our community.

Financial needs:

Cabot officials do not have the expertise to begin a broadband project but a grant like this could help offset feasibility costs for a qualified Internet Service Provider. This grant would help identify the needed infrastructure, design, feasibility, and deployment schedule needed to extend broadband service throughout our community. We understand that there are federal grants available for broadband construction and expansion, and we feel that this grant may strategically position us to compete for these funds.

Community relationship needs:

The attached letters of support from the Mayor's office and the city attorney are just a few of the many that support this initiative. Others such as the County Judge, State Senator, State Representative, City Council, and Cabot School board are all supportive and look forward to additional broadband options in the future.

The citizens of Cabot have been very vocal through social media outlets and complaints to the City of Cabot about expensive, poor, and unreliable broadband service providers. This grant is needed to design a fiber network that provide high speed broadband services to the citizens in the proposed service area.

Description of plan (up to 25 points)

Through this study, we plan to achieve the following:

- Contract with FECC and Connect 2 First Internet to educate our leaders of broadband options and develop strategies to extend broadband into the city of Cabot.
- The feasibility study and design completed by FECC and Connect 2 First Internet are necessary components of their due diligence business study to bring broadband services to the city of Cabot. To complete this, a low-level design is needed to identify the equipment, material, routes, and labor.

Our objectives and timeline are as follows:

Month 1 Objective – Launch city of Cabot Broadband Due Diligence Study

Month 1 Goals:

1. Meet with FECC and Connect 2 First Internet to review due diligence study
2. Contract FECC and Connect 2 First Internet to complete a low-level design
3. Assign a city official to document and create reports as needed to UAMS Institute for Digital Health & Innovation

Month 2 Objective – Make Decisions Related to the Broadband Due Diligence Study

Month 2 Goals:

1. Work with FECC and Connect 2 First on the low-level design
2. Continue holding meetings with FECC and Connect 2 First Internet

Month 3 Objective – Expanding Broadband Due Diligence

Month 3 Goals:

1. Continue holding meetings with FECC and Connect 2 First Internet

Month 4 Objective – Continuing Documenting Needs

Month 4 Goals:

1. Continue holding meetings with FECC and Connect 2 First Internet
2. Receive monthly update about low-level design

Month 5 Objective – Sharing Documented Needs

Month 5 Goals:

1. Share the first draft of the city of Cabot low-level design and UAMS Institute for Digital Health & Innovation
2. Make revisions as needed
3. Continue holding meetings with the FECC and Connect 2 First Internet
4. Receive monthly update about low-level design

Month 6 Objective – Receive Findings of the Feasibility Study

Month 6 Goals:

1. Share final draft of the low-level design with Cabot Mayor and UAMS Institute for Digital Health & Innovation
2. Determine next steps for further broadband grants, loans, or other necessary steps

Final Products:

1. Low-level design for broadband deployment in FECC service areas in the city of Cabot.

While we are not familiar with the available broadband grants and programs, we are confident, that FECC and Connect 2 First Internet are in tune with that landscape and will work with us to pursue those opportunities.

Budget

Budget Categories	Cost
Personnel	\$5,400
Supplies	\$600
Contractual	\$69,000
Total Request	\$75,000

Budget Justification (up to 15 points):

Personnel:

Project Director – Our Mayor will act as Project Director, serving as key liaison to the funders and media. He will coordinate meetings and make final decisions on all contractors. Our Mayor will spend an estimated half a day a week on this project for six months. Compensation for his time is valued at \$3,000.00. Request: \$3,000.00

Financial Director – Our Mayor will appoint the Financial Director from his staff. The Financial Director will secure the surety bond and make financial arrangements for all contractors. This person will ensure timelines, objectives, and goals are met, providing troubleshooting as necessary to solve problems while working alongside our Project Director. The Financial

Director will spend an estimated one day weekly on this project for six months. Compensation for the Financial Director's time is valued at \$2,400.00. Request: \$2,400.00

Supplies:

The city of Cabot will need office supplies (printing paper, printer ink, folders, postage, etc.), bottled water, and other sundry supplies for meetings. An allowance of \$100 per month is requested to cover these needs. Request: \$600

Contractual:

Feasibility Study Contractor, Broadband Consultant, Needs Assessment Author: FECC and Connect 2 First Internet will be the Internet Service Provider to conduct a low-level design to expand its services to our area. They will also provide any consulting work or outsource to another broadband consulting firm if additional research is required. This contractor will conduct market research, engage partners, model/design the network, and conduct a cost analysis and business plan. FECC and Connect 2 First Internet has informed us that to conduct this study, they need at least three months and \$69,000. We feel this amount will compensate another ISP or electric cooperative should we decide to pursue another feasibility study contractor. Request: \$69,000

Supporting Documents (up to 10 *bonus* points):

OFFICE OF THE MAYOR

KEN KINCADE, CPA, CVA
MAYOR



PHONE 501.843.3566
FAX 501.941.3127

101 NORTH SECOND STREET
CABOT, ARKANSAS 72023
WWW.CABOTAR.GOV

October 23, 2020

Re: Broadband support letter

To Whom it May Concern:

I am the Mayor of the City of Cabot and it has become apparent to me that Lonoke County and the city of Cabot, Arkansas needs more technological resources to bring to its residents. Our residents are literally begging for more advancement of their internet, specifically, in our area.

Broadband is an essential utility for e-commerce for our small businesses, a means of learning for our students, a method of continuing education for our adult learners, and a way of bringing healthcare into our community and homes. Without good broadband, our city and county cannot reasonably grow. Covid-19 has really showed us how many of our citizens work from home and need reliable internet. Broadband is a utility that we just can't live without any longer in Cabot Arkansas and right now our service is very unreliable and our citizens of our community are frustrated.

I feel the Rural Broadband I.D. Trust Fund grant is a possible avenue for us to prepare for a larger broadband grant and align with an ISP or electric cooperative to plan and eventually implement a long-term plan for improved broadband.

Respectfully,

Ken Kincaide, CPA
Mayor of Cabot

Office of the City Attorney Cabot, Arkansas



BEN HOOPER
ATTORNEY AT LAW

CRYSTAL CALLAHAN
PARALEGAL

October 27, 2020

Re: Broadband support

Dear Mayor:

I am writing to express my support for the Rural Broadband I.D. Trust Fund Program grant application. For some time, our office has heard from the citizens of Cabot regarding their current broadband services to their home and businesses.

My office has submitted almost one hundred complaints to the Arkansas Attorney General regarding the current ISP providers in the Cabot area not doing their job of providing proper service to our residents. We can see that Cabot does not have the proper broadband and unreliable service is a very big concern.

By applying for the Rural Broadband I.D. Trust Funds grant, you will have the financial means for Cabot to conduct a broadband feasibility study to see what is needed and how we can help expand services into our area.

As we've discussed in the past, I am encouraged that you are committed to this plan and I look forward to seeing how Cabot can move forward with reliable and affordable broadband service.

You have my support in seeking more and better options for broadband in the City of Cabot, Arkansas.

Respectfully,

A handwritten signature in blue ink, appearing to be "B. Hooper", written over a horizontal line.

Ben Hooper
Cabot City Attorney