



Executive Project Summary

For

**Proposed Rural Mills County Fiber Optic Construction Project in
Hastings, Iowa**

Proposed By

**BTC, Inc.
d/b/a Western Iowa Networks**



Executive Project Summary

BACKGROUND

Over the past several years, the Telecommunications industry in the United States and Iowa has undergone tremendous change in the regulatory environment, the level of service customers demand from their providers, and the technologies used to provide those services. During this period, many rural areas in Iowa have lagged in terms of the broadband services and technologies available. Many refer to this lagging behind the more urban areas of the country as the 'digital divide'. The recent Coronavirus pandemic and subsequent shutdowns and emergency orders have made that digital divide even more clear, as millions of rural Americans struggle to utilize telework, telehealth, or distance learning from their homes, due to inadequate broadband service. To help bridge this divide, BTC, Inc. d/b/a Western Iowa Networks (WIN) proposes to construct a fiber-to-the premise (FTTP) network extending from its existing network to the community of Hastings, Iowa. As the FCC definition of broadband changes, and as consumer demand for more bandwidth continually increases, a FTTP network is the only current network architecture which can keep up with these changes and provide a truly 'future proof' means of delivering the necessary broadband speeds to every single area of the network.

WIN is headquartered in the City of Breda, Iowa and is incorporated in the State of Iowa. WIN currently provides services in nearby communities of Farragut, Glenwood, Macedonia, Malvern, Pacific Junction, and Treynor. WIN is a Communications Service Provider as defined by Iowa Code chapter 8B. The company is owned by the shareholders of parent company Breda Telephone Corp. and has been in business since 1905. It is the mission of WIN to be the leading communications provider in Iowa.

The WIN management team consists of the following seven individuals:

Jeff Roiland, CEO
Kevin Skinner, CFO
Chris Nieland, Director of Operations
Mike Ludwig, Plant Manager
Amy Hatterman, Accounting Department Manager
Stephanie Thomsen, Human Resources Manager
Wes Treadway, Customer Service/Marketing Manager

WIN's management team has nearly 120 years combined experience in the telecommunications industry and contributes to numerous industry boards and committees.



WIN provides a wide variety of services to residential and business customers in communities throughout western Iowa, including voice, broadband, television, managed IT, hosted PBX, and key systems equipment.

Over the last 12 years, WIN has deployed a FTTP network in each community it serves. This network, combined with knowledge and expertise, gives WIN a distinct advantage over competitors, allowing it to provide cutting edge service to all customers in the WIN serving area for many years to come. While there are providers with somewhat similar service offerings in WIN's existing markets, none of them provide services over a FTTP network. This advanced, state-of-the-art network deployed by WIN can provide reliable high bandwidth and low latency broadband services which the other providers simply cannot match.

PROJECT SUMMARY

This project area includes 10 targeted service areas (TSAs) in the community of Hastings, Iowa, and will be a complete overbuild of the area with a FTTP network. The relatively small scope of the project will allow for it to be completed with the established deadline. Upon being awarded, WIN would commit to overbuilding the entire community of Hastings, including the non-funded areas of the town, the costs for which are excluded from the application. This community is located just south of U.S. Highway 34 and west of U.S. Highway 59, approximately 40 minutes from Bellevue, Nebraska, Omaha, Nebraska and Council Bluffs, Iowa, and approximately 15 minutes from Red Oak, IA. Mills County is actively engaged in attracting new businesses. Mills County is poised for economic growth, which will create a critical need for broadband and other communications services over this fiber network. In turn, this network would aid in further development, by attracting businesses searching for fast and reliable broadband.

As population from the Omaha/Council Bluffs area moves to nearby suburban areas, there is a large amount of residential real estate development near this area. A fast and reliable broadband service is becoming more important all the time for those seeking a place to live, work and go to school, so construction of this network would be an important selling point for these communities. The project area falls within the East Mills Community School District. Providing more reliable broadband to the students living in these rural areas is a high priority for WIN. Building this network would provide an invaluable tool for the households in this school district.



The proposed service area mentioned above covers approximately 0.03 square miles. The TSAs include 26 housing units, with a population of 58. Construction on this project has not yet started. WIN estimates this project would begin in the spring of 2021 and be completed before the end of 2021, within the deadline established by the NOFA. After construction is completed, WIN plans to aggressively build its customer base through various forms of advertising and promotional offers. While some blocks near the proposed area, including nearly half of the town of Hastings, are not identified as a TSA based on the most recent version of the broadband availability map, it is worth noting Mills County engaged the engineering firm HR Green to conduct a broadband availability study of Mills County in 2018. The results of this study indicated access to reliable broadband was lacking in many areas of Mills County, including many of the areas adjacent to the TSA's identified in this application. The study results indicated a lack of reliable broadband, even in areas which were identified as served areas according to the available 477 data at that time. In fact, one wireless Internet service provider in this area, when challenged with the study results by the County, revised their subsequent 477 deployment data to report to the FCC more accurately. Judging by the data WIN continues to collect from customers in these areas, little has changed in the last few years since the study was released, in terms of better broadband availability. A copy of the broadband study from HR Green has been included with the overflow materials as part of this application. As is the case in all of WIN's communities, plans for this area would include edging out WIN's FTTP network into surrounding areas near U.S. Highway 59 and U.S. Highway 34, wherever it is feasible to do so. WIN's tentative plans are to overbuild the Glenwood and Malvern telephone exchanges, and the Malvern exchange also includes the town of Hastings. To accomplish these goals, the funding offered through the Empower Rural Iowa Broadband Grant Program for the overbuild of the town of Hastings is critical and necessary.

Based on the size and number of targeted service areas included, WIN has estimated a cost for this project as detailed in Exhibits D and D.1 of the Core Application and is asking for grant funding equal to 75% of the total projected costs.

CONCLUSION

Through the application and other supporting documents provided, WIN aims to demonstrate how this project will comply with all the requirements of the Notice of Funding Availability, while effectively bridging the digital divide in this entire proposed service area. WIN has the experience, facilities, equipment, processes, staff, third party relationships and internal systems in place to support the successful completion of this project. The advantages of a FTTP network over other networks are well documented in terms of speed, reliability, and long-term utility. Having access to this network will be a valuable tool to help keep residents in these rural areas, draw new residents, strengthen the school districts, and foster economic development for new and existing businesses for many years to come. WIN strongly believes this project will be a very worthwhile investment in the future of broadband for this area and for all rural Iowa.