

## **Executive Project Summary**

Over the years, ImOn has received numerous requests from rural neighborhoods and communities to build into their areas. The Lakeside Area / Bannockburn Development community located outside of Cedar Rapids is one of these areas. The only broadband option for these households is via a wireless provider, but the residents have noted that such service is typically not very reliable (e.g. will go out during a storm) and the speeds max out well below the 25/3 threshold noted in the NOFA.

Given the lack of home density in this area, the buildout of FTTH service had never made financial sense despite the high consumer interest. When NOFA #003 came out, ImOn decided to apply for this area given the ability to offset some of those upfront costs with CARES Act funds. ImOn was ultimately awarded funding of \$280,030 to build FTTH service with speeds in excess of 100/100 for this area as part of NOFA #003.

However, after performing the full design and better understanding the costs, ImOn realized that it had significantly underestimated the overall cost of the project when completing the NOFA #003 application. Specifically, ImOn did not consider the infrastructure/distribution costs necessary to feed the homes within the awarded census blocks. At this time, ImOn currently anticipates total project costs of \$893,954 but had only submitted estimated costs of \$560,061 in the NOFA #003 application.

As a result, ImOn is applying for the partial reimbursement of costs under NOFA #005 for the infrastructure/distribution costs necessary to feed the TSAs listed in the NOFA #005 application. This portion of the overall project cost is \$220,807. We note both TSA's listed in this NOFA #005 application were also included in ImOn's application under NOFA #003 (Application 367823).

## **Current Status**

ImOn started work on this project in late 2020 and has selected a contractor, completed design work, submitted permits, ordered/received materials and has begun boring and duct placement. At this time, ImOn expects to be fully complete by the June 30, 2021 deadline specified in NOFA #003.

## **Need for Coronavirus Relief Funds**

ImOn remains committed to fulfilling our obligation under our NOFA #003 agreement to complete this project. However, we note that without the funding requested under NOFA #005, the economics of this project do not make sense. As a result, without this funding, ImOn would have to pass through these cost overages to the residents in the form of higher install and service fees than were originally planned.