MMG Budget Narrative Template

Applicant Name: BIF IV Intrepid OpCo LLC
Applicant Type: Middle Mile Network
Proposed Period of Performance: April 1, 2023, through September 30, 2024
Total Project Costs: $4,631,407.00
Total Federal Grant Request: $2,710,970.96
Total Matching Funds (Cash): $1,920,436.04
Total Matching Funds (In-Kind): $0
Total Matching Funds (Cash + In-Kind): $1,920,436.04
Total Matching Funds (Cash + In-Kind) as Percentage of Total Project Costs: 41%

This project will be fiscally sustainable. As shown in the proformas, this project will eventually make revenues that will be sufficient to cover the cost of long-term service. As demonstrated by the commitment to offer a letter of credit, Intrepid is a fiscally responsible company with a leadership of financially savvy employees. The employees bring decades of knowledge and experience in running financially sustainable middle mile infrastructure.

The fiber is sized for technological growth in the market, using mainly 144 fiber cable along with some 288 fiber for the backbone. These counts sizes were chosen even though only 12 fibers are allocated for the electronic cabinets. This philosophy allows sufficient fiber for future technologies as well as providing fiber to the Community Anchor Institutions. The same philosophy was used to select the conduit. We are using a 4-way conduit, which contains, four, 18mm OD/14mm ID conduits. One conduit will be occupied on day one, leaving the other three for growth and breakouts to other customers.

1. Administrative and Legal expenses

None

2. Land, structures, rights-of-way, appraisals, etc.

The permit fees for this project are included in the cost per foot for the construction. Our construction vendor is responsible for obtaining the permits. The estimated permitting cost is $0.30 per foot for the underground construction. The City of Pueblo informed us that the cost to permit the remote CO cabinets will also be covered in the standard rights-of-way permitting fee of $0.30 per foot and therefore there isn't an additional cost to list for the cabinet deployments.

3. Relocation expenses and payments

None

4. Architectural and engineering fees TOTAL: $99,489.10 (match: $40,790.53, federal ask: $58,698.57)

Description	Unit Basis	Unit Cost	Number of Units	Total Cost

Field Survey - Aerial	Each	$0.50	78,129	$39,064.50
Field Survey - Underground	Each	$0.50	29,173	$14,586.50
Engineering Design - Aerial	Each	$0.30	78,129	$23,438.70
Engineering Design - Underground	Each	$0.35	29,173	$10,210.55
CAD - Aerial	Each	$0.05	78,129	$3,906.45
CAD - Underground	Each	$0.10	29,173	$2,917.30
As-built - Aerial	Each	$0.05	78,129	$3,906.45
As-Built - Underground	Each	$0.05	29,173	$1,458.65

Field Survey - Aerial ($39,064.50) – This cost is for fielding 78,129 feet of aerial plant and includes measuring between the poles, measuring the heights of attachments of the existing utilities and the midspan sags. The costs are based on a quote from a regional vendor.

Field Survey – Underground ($14,586.50) – This cost is to survey 29,173 feet for underground conduit, fiber and cabinet placement. The costs are based on a quote from a regional vendor.

Engineering Design – Aerial ($23,438.70) – This cost is to take the 78,129 feet of aerial that was surveyed, determine the cable layouts, the make-ready, complete the pole loading analysis and fill out the pole applications. The costs are based on a quote from a regional vendor.

Engineering Design – Underground ($10,210.55) – This cost is to take the 29,173 feet of underground survey, determine the cable layouts and location of handholes, conduit, cabinets and utility locates. The costs are based on a quote from a regional vendor.

CAD – Aerial ($3,906.45) – This cost is to take the engineering design and create a construction drawing, strand map that can be provided to the construction crews to build the aerial plant. The costs are based on a quote from a regional vendor.

CAD – Underground ($2,917.30) – This cost is to take the engineering design and create a construction drawing that can be used for permitting and to provide to the construction crews that build the project. The costs are based on a quote from a regional vendor.

As-built – Aerial ($3,906.45) – This cost is for the engineering firm to take the construction redlines and update the CAD records to show what was actually built in the field, as well as provide a shp file for our GIS. The costs are based on a quote from a regional vendor.

As-built – Underground ($1,458.65) – This cost is for the engineering firm to take the construction redlines and update the CAD records to show what was actually built in the field, as well as provide a shp file for our GIS. The costs are based on a quote from a regional vendor.

5. Other architectural and engineering fees

None. The soil testing was completed prior to this grant application.

6. Project Inspection fees TOTAL: $41,740.48 (match: $17,113.60, federal ask: $24,626.88)

Description	Unit Basis	Unit Cost	Number of Units	Total Cost
Backbone Inspection	Each	$0.39	107,302	$41,740.48

Backbone Inspection ($41,740.48). Intrepid will be hiring two Construction Inspectors for this project. The current billing rate quoted to Intrepid is $60 per hour. The total hours for the three-year timeframe of the project is estimated at 12,000. The total budget is $720,000. The total footage of the project (1,851,940FT) divided by the total budget yields a cost per foot of $0.39. The backbone portion of this project is 107,302FT and the estimated cost based on $0.39/FT is $41,740.48

These inspectors will be Intrepid's representative to the City and the Public in Pueblo. Their responsibilities include attending the pre-construction meetings, safety of the work zones and pedestrian traffic and quality control of the construction of the Intrepid network.

7. Site work

None. The fencing and security of the material staging yard is included in the construction cost.

8. Demolition and removal

None.

9. Construction TOTAL: $3,020,720.14 (match: $1,260,054.42, federal ask: $1,760,665.72)

Description	Unit Basis	Unit Cost	Number of Units	Total Cost
Average Aerial Rate - Backbone	Per Foot	$12.27	78,129	$958,642.83

Average Underground Rate - Backbone	Per Foot	$51.91	29,173	$1,514,370.43
Conduit - 4 Way	Per Foot	$1.52	32,000	$48,721.28
Handhole - 24x36x36	Item	$666.95	96	$64,027.20
Handhole - 30x48x36	Item	$991.10	6	$5,946.60
Strand	Per Foot	$0.28	86,000	$24,080.00
Fiber -144 Armored	Per Foot	$1.22	57,000	$69,540.00
Fiber -144 Micro	Per Foot	$1.14	40,000	$45,600.00
Fiber -288 Armored	Per Foot	$2.22	15,000	$33,300.00
Fiber -288 Micro	Per Foot	$2.62	3,600	$9,432.00
Splice Case - D	Item	$391.61	158	$61,874.38
Splice Case - AE Bracket	Item	$32.69	110	$3,595.90
Labor - CO	Item	$30,264.92	6	$181,589.52

Aerial Backbone Construction ($958,642.83) – Charge is per foot for an estimate of 78,129 feet. The cost includes the application fee, make-ready work, strand and fiber placement, minor materials and hardware, and splicing. This work is necessary to complete the backbone from the datacenter to the remote CO cabinets. This cost is from a regional vendor quote.

Underground Backbone Construction ($1,514,370.43) – Charge is per foot for an estimate of 21,173 feet. The cost includes the permit fees, underground boring, trenching, restoration, including hard surface restoration, placing the CO cabinets, fiber placement, minor materials, and splicing. This work is necessary to complete the backbone from the datacenter to the remote CO cabinets. This cost is from a regional vendor quote.

Conduit ($48,721.28) – Charge is for 32,000 feet of conduit to protect the network fiber. While the conduit is 4-way, only one will be used for this project. The requested federal funding is discounted 75% to reflect the portion that will be actively used in this project. This cost is an actual quote with an estimated 9% shipping and 7.6% sales tax for Colorado, Pueblo County and City of Pueblo added.

Handholes ($69,973.80) – Charge is for 96 medium, and 6 large handholes to securely store deployed fiber. The costs are actual quotes with an estimated 9% shipping and 7.6% sales tax

for Colorado, Pueblo County, and City of Pueblo built into the price.

Strand ($24,080.00) – Charge is for 86,000 feet of strand to lash the aerial fiber to during deployment. This is an actual quote that accounts for 9% shipping and a 7.6% sales tax for Colorado, Pueblo County, and City of Pueblo.

Fiber ($157,872.00) – Charge is for 57,000 feet of 144-count armored fiber, 40,000 feet of 144- count micro fiber, 15,000 feet of 288-count armored fiber, and 3,600 feet of 288-count micro fiber. These strand counts are required for the aerial and underground middle mile fiber network. Armored fiber is needed for aerial deployment to minimize squirrel chews. The costs are actual quotes with an estimated 9% shipping and 7.6% sales tax for Colorado, Pueblo County, and City of Pueblo built into the price.

Splice Cases ($65,470.28) – Charge is for two different types of splice cases. The budget includes funds 158 type D, and 110 type AE. Different cases are needed depending upon the location of the splicing. These costs are based on a received quote and include 9% shipping and 7.6% sales tax for Colorado, Pueblo County, and City of Pueblo.

Labor for CO ($181,589.52) – Charge is the cost for six of the seven CO cabinet turn-ups. These six CO cabinets will be turned up during this grant period by our vendor. This work involves pre-staging the cabinet, cabinet turn-up and integration, network design and integration, a project manager, a network integrator, and a remote technician. This cost is based on an actual quote.

10. Equipment TOTAL: $993,077.52 (match: $407,161.78, federal ask: $585,915.74)

Description	Unit Basis	Unit Cost	Number of Units	Total Cost
Remote CO Cabinet	Each	$28,992.40	6	$173,954.40
Circuit Cards Package	Each	129,877.25	6	$779,263.50
Remote CO Splitters, Batteries, Jumpers	Each	$9,943.27	6	$39,859.62

Remote CO Cabinets ($173,954.40) – 6 Remote CO cabinets, including a Nokia FX-8 CO shelf, CommScope 48 and 288 position fiber panels, a Delta rectifier, a CommScope splitter shelf, generator plug, meter housing and AC shut-off @ $28,992.40 each. Purchase price is based on a firm quote from Nokia and includes shipping and sales tax.

Circuit Cards ($779,263.50) – Total package includes (7) Nokia FWLT-C GPON cards, (112) Nokia XGS SFPs, (2) Nokia FANT transport cards, (4) Nokia LR4 optics, (1) Nokia dummy

front panel. Purchase price is based on a firm quote from Nokia and includes shipping and sales tax.

Splitters, Batteries and Jumpers ($39,859.62) – Total package includes (19) 1x2 CommScope splitter cards, (4) Enersys 190AH batteries, (1) CommScope battery heater, (140) various length fiber jumpers. Purchase price is based on quotes from CommScope, KGP Co and Nokia and includes shipping and sales tax.

11. Miscellaneous – TOTAL $75,000 (match: $30,750.00, federal ask: $44,250.00)

Description	Unit Basis	Unit Cost	Number of Units	Total Cost
NEPA Compliance	Other	$75,000.00	1	$75,000.00

NEPA Compliance ($75,000.00) – Funds are included to use for the environmental assessments of the project area required by NTIA and NEPA. Intrepid anticipates $75,000 will be sufficient funds to cover this required activity.

12. SUBTOTAL (sum of lines 1-11)

Subtotal is $4,155,027.24

13. Contingencies TOTAL: $401,379.77(match: $164,565.70, federal ask: $236,814.06)

Contingency costs of 10% of the construction and equipment categories was built into this project mainly to cover the cost of excessive pole changeouts and make-ready work. However, this contingency may also be required if additional rock is encountered during construction in areas that were not sampled in our geological studies and if material costs continue to increase. No inflation factor was used on our material costs and therefore the contingency percentage was calculated on labor and materials.

14. SUBTOTAL

Subtotal with Contingency is $4,631,407.00

15. Project (program) income

There won't be any project income since this is only the middle mile network.

16. TOTAL PROJECT COSTS

$4,631,407.00