

### Applicant Information

Company Name	Surry Telephone Membership Corp.
Address	819 E Atkins St Dobson, NC 27017
Website	www.surry.net
Federal Tax ID	
DUNS #	067439596
System Award Management (SAM.Gov) ID	UGJNLFY5KS31

Authorized Representative		Authorized Representative (Alternative)	
Full Name	ANDY D. HULL	Full Name	RICHIE PARKER
Contact Title	ENGINEERING MANAGER	Contact Title	CEO
Phone Number	336-374-5021	Phone Number	336-374-5021
E-Mail	HULLA@SURRYTEL.COM	E-Mail	PARKERR@SURRYTEL.COM

### Grant Administrator & Company Name(if applicable):

Full Name	
Contact Title	
Telephone	
E-Mail	
Website	
Federal Tax ID	
Address	

### Project Information

Project Title	SURRYCO_ZPHY_DEVOTION		
Project Cost	\$299,816.77		
County	Surry	Tier #	002
Estimated # of Households with improved access	16		
Estimated # of businesses with improved access	2		
Base Speed - Minimum Download/Upload	100 Mbps, symmetrical		

### Project Description (provide a brief summary of the project)

Direct burying fiber optic cable from an existing splice point and installing a Local Convergence Cabinet (LCC) to serve the area. The Reynolds Rd makes up a large portion of the cost due to a very long road. The Reynolds Estate consist of several private entities including houses, hunting reserve and open farm land.

Has the applicant entered into a partnership for this project as defined in S.L. 2019-230?

Yes

### Checklist Details

#### 1) Statement of Qualifications (Please provide a detailed description of qualifications and experience with the deployment of broadband):

A group of local people carried a great responsibility on their shoulders when they met on February 6, 1951. Technology and social changes brought about by the Great Depression and World War II made the world a different place. Methods of communication needed to be greater and faster even among the picturesque farms and quiet towns of the North Carolina Piedmont. That Tuesday, they set in motion the wheels that would carry Surry and surrounding counties into the future. That first Board of Directors meeting in 1951 adopted the by-laws that guide Surry Telephone Membership Corporation's business operations. They took all the steps necessary to apply for a \$595,000 REA loan through the North Carolina REA. Surry Telephone Membership Corporation received its Charter of Incorporation from the State of North Carolina that same year. STMC began operation with 192 members in one exchange in November 1954. Since that time, we have added seven more exchanges and serve about 15,000 members. From the first 8-line party lines until the conversion of single party lines, until the conversion from rotary dialing to touch-tone services, until the conversion of a digital switch, STMC has always looked to provide its member customers with the most up to date communication offerings. STMC deployed its first fiber optics in 1984. Less than twenty years later, the first Fiber to the Home project was designed and deployed in 2003. A soft switch was installed in 2009 to prepare for SIP lines of the near future. STMC has always strived to develop local partnerships as strong building blocks for better service to customers and business relationship models. We have always been a key partner with local county and municipal governments, offering local phone and internet services, backbone transport over copper and fiber optic cable between buildings and technical support whenever needed. We have also provided internet connectivity to local public schools and community colleges with fiber optic cables. The Great Grant will allow STMC to provide this highest level of service to customers in our most rural areas of Surry, Stokes and Yadkin Counties. We see the future as a time when telecommunications technology will continue to improve the lives of average citizens even more than it has in the past. Our former manager stated back in 2002, "I think we'll expand even further. I think tomorrow's technology will involve more broadband (plant and transmission facilities with a bandwidth capacity greater than that of voice-grade lines). It will definitely be more than just voice.

#### Checklist Details

Our objective is to provide the technology to help the people of this area enjoy life a little more and to provide an opportunity for them to better themselves". From that modest beginning, STMC has grown to what we are today. We are still owned by those we serve. We have an obligation to give those member owners the best service available.

Surry Telephone's intention is the implementation of a fiber to the premise broadband network that adheres to the principles contained in the FCC's Internet Policy Statement. Surry Telephone does not discriminate against any customer and maintains a policy such that consumers connected to the Internet are entitled to access any lawful Internet content of their choice. Surry Telephone will not prioritize any lawful Internet application and content over others.

Network Management policies will be clearly posted on the homepage of Surry Telephone's website. Any changes to these policies will be posted to the web site in a timely manner. Additionally, notification of any changes will be provided to Broadband subscribers through email or the Surry Telephone company newsletter. Surry Telephone uses industry standard tools to monitor all network interfaces to ensure quality of service and bandwidth usage.

Surry Telephone has been in the rural telephone market since the mid 1950's. During that time the company has grown and prospered from sound, prudent management. Surry Telephone currently serves over 14,000 customers with voice services. About 93%, just under 13,000 of those customers also subscribe to broadband. We have proven experience in the telecommunication industry. In 2020, Surry Telephone had total net income or margin of \$4,783,927. In 2017, Surry Telephone joined the NTCA Gigabit Certification Program which evolved into the NTCA Smart Rural Community. This network is made up of a group of rural broadband providers creating equal opportunities for our rural communities by providing the citizens access for education, entrepreneurship and healthcare. <https://www.ntca.org/smart-rural-community>

Surry Telephone has constructed 1,500 route miles of fiber to the premise cable within its traditional incumbent service area. This construction has covered approximately 95% of its traditional incumbent service area with fiber to the premise internet connectivity.

Surry Telephone established free wi-fi hot spots in April 2020, during the first wave of the COVID-19 pandemic. These wi-fi hotspots were established to allow underserved students and residents access to a stable and fast internet connection, while schools and workplaces pivoted to remote, virtual environments. This fiber to the premise project would allow those unserved residents the ability to access high speed internet in the safety and comfort of their own homes.

#### 2) Assessment of the current level of broadband access in the proposed deployment area – supporting data may be uploaded if applicable:

The area is currently being served with twisted copper wireline.

#### 3) Description of Proposed Services, Advertised Speeds, and Pricing Structure for proposed broadband recipients in the eligible project area:

Surry Telephone offers services of dial tone (telephone), television, high speed internet and security monitoring for businesses and residential customers. Voice, video and data are utilized across Surry's fiber optic network from the premise to the office and out to the world. Other services include Business phone system, Wi-Fi systems, and Video Cameras and installation.

Surry Telephone qualifies for the Affordable Connectivity Program (ACP) which allows for eligible households that qualify to receive discounted rate broadband services.

Symmetrical Speed Tier	Monthly Price	Installation Fee
50/50 Mbps	\$44.95	\$0.00
100/100 Mbps	\$59.95	\$0.00
200/200 Mbps	\$74.95	\$0.00
500/500 Mbps	\$99.95	\$0.00
1,000/1,000 Mbps	\$149.95	\$0.00

There are no monthly data caps on the internet service.

The internet service is not metered for service or bandwidth. The internet service speed is not reduced from metered service.

There are no special pricing and/or broadband service levels for low-income residents. Low-income residents are referred to available government assistance programs in place.

The same symmetrical speed tiers and pricing is used for these proposed project areas that other customers within Surry County have access to by Surry Telephone.

#### 4) Description of Adoption Plan:

Mailers to existing customer base followed up with boots on the ground approach. Community education forums to notify the area customers of fiber optic services availability and the importance of broadband connectivity to help make their lives easier with access to remote learning, telehealth and teleworking. Customers will have access to a web based GUI to check services availability online.

#### By checking the appropriate box, you will upload the following documents:

5) Description of Project Area, Identification of locations to be served, relevant maps and mapping files:	<input checked="" type="checkbox"/>
6) If submitting other data sources, including field data, to identify unserved locations (households and businesses) outside of the fully unserved census blocks provided on the NC One Map, please provide a narrative describing your methodology for determining the proposed funding area is unserved and eligible for funding in this round.	<input checked="" type="checkbox"/>
7) Excel Spreadsheet (NO PDF) that itemizes the eligible activities and cost estimates. Please provide an explanation of how you estimated the costs:	<input checked="" type="checkbox"/>
8) Please provide your methodology or explanation of how you calculated cost per location (Households/Businesses):	<input checked="" type="checkbox"/>
9) Proof of Financial Solvency	<input checked="" type="checkbox"/>
10) Technical Report	<input checked="" type="checkbox"/>
11) Evidence of Support for the Project (i.e. Letter of Support)	<input checked="" type="checkbox"/>
12) Evidence or proof a partnership based on the definition in the guidance document and the authorizing legislation	<input checked="" type="checkbox"/>

## NC DIT GREAT Program

### Growing Rural Economies with Access to Technology Program

#### SCORING

*The GREAT Program is a competitive grant program. Applications shall be scored based upon a system that awards a single point for criteria considered to be the minimum level for the provision of broadband service, with additional points awarded to criteria that exceed minimum levels. Applications receiving the highest score shall receive priority status for the awarding of grants.*

*The tool below is being provided to Applicants so that they may estimate their score to determine estimated match requirements. All final and official scores will be determined by the BIO during the review process.*

	Reviewer	Score
<b>a1) Partnership</b> - One point shall be given for a proposed partnership that will make available existing infrastructure that has been installed for the partner's enterprise, non-consumer broadband purposes, or any other property, buildings, or structures owned by the partner, for a proposed project.	Choose One	0
<b>a2) Partnership</b> - A county or nonprofit entity that proposes to provide a financial match shall be given one point. Notwithstanding Article 8 of Chapter 143 of the General Statutes, or any provision of law to the contrary, a county may use unrestricted general funds or federal American Rescue Plan Act (P.L. 117 1) funds allocated to it for the purpose of improving broadband infrastructure for a financial match.	Choose One	0
<b>a3) Partnership</b> - An applicant shall receive two additional points for a proposed partnership where the county's financial match is comprised entirely from federal American Rescue Plan Act (P.L. 117 2) funds intended for broadband infrastructure.	Choose One	0
<b>b) Unserved Households(HH)</b> – Using most recent FCC Data or other information or supporting data, <b>estimated number of unserved households within the eligible county (TIER ONE)</b>	500 or Less	1
<b>c) Unserved Households (HH) to be Served</b> – Using most recent FCC Data or other information supporting data, <b>the percentage of the total unserved households with the eligible project area</b>	Less than 15%	1
<b>d) Unserved Business</b> – Using most recent FCC Data or other information by NC BIO, provide broadband service to unserved business within eligible county (TIER ONE) and project area (Documentation)	1 and 4	1
<b>e1) Piedmont or Coastal Plain Region</b>	Choose One	
<b>e2) Mountain Region</b>	Choose One	
<b>f) Base Speed - Min Download : Upload</b>	100:20 Mbps to 100:100 Mbps	1.00
<b>Total Score</b>		<b>3</b>
<b>g) Community Broadband Plan defined by NCBIO</b>	No	0
<b>h1)</b> For counties that received an aggregate of eight million dollars (\$8,000,000) or more directly from the federal government, the following points shall be added to the application score:	Choose One	
<b>h2)</b> For counties that (i) received less than an aggregate of eight million dollars (\$8,000,000) directly from the federal government from the American Rescue Plan Act (P.L. 117 2) and (ii) are providing a portion of a project's matching funds using the entirety of the federal funds the county received, together with any other unrestricted general fund monies, if needed, the following points shall be added to the application score:	Choose One	
<b>i1)</b> Are the matching funds partially comprised of ARPA funds a county received directly from US Treasury?	Choose One	
<b>i2)</b> Are the matching funds entirely comprised of ARPA funds a county received directly from US Treasury?	Choose One	
<b>Final Score</b>		<b>3</b>

*List all expenses related to the project, the amount of each expense, and the corresponding funding source(s) in the table below. The table should include all of the eligible costs such as: installation, acquiring or updating easements, equipment, fiber, construction, backhaul infrastructure for the end user, and testing costs. Ineligible costs should not be included in the project budget. The table should clearly show all planned expenditures and all funding sources for the project.*

Reviewer Score:	3	Matching Requirement (%):	50%
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## NC DIT GREAT Program

### Growing Rural Economies with Access to Technology Program

Based on your scoring matrix, Your minimum match requirements:		\$149,908.39
Total Project Cost:	\$299,816.77	Grant Amount Requested (\$): \$0

Please indicate which documents were submitted with your application, by checking the appropriate box.

~ Reference guidelines booklet for document details ~

1) Excel Spreadsheet (NO PDF) that itemizes the eligible activities and cost estimates. Please provide an explanation of how you estimated the costs	<input type="checkbox"/>
2) What is the total cost per location for the project? Please provide your methodology or explanation of how you calculated cost per location (Households/Businesses)	<input type="checkbox"/>
3) Proof of Financial Solvency	<input type="checkbox"/>

Project Expense	GREAT Funds	Matching Funds	Total
Easements (one-time fees)			0
Materials (fiber, equipment, etc.)			0
Construction/Installation			0
Testing			0
Engineering			0
Lease/Collocation Fees (one-time fees)			0
Other 1			0
Other 2			0
Other 3			0
Total Eligible Project Cost			0

### Company Certifications

1	Overdue Tax Debts	Does the Company or the Related Member(s) currently have any overdue tax debts with any City, Town or County in, or with the State of North Carolina?	No
2	Occupational Safety and Health Act Violations	Does the Company, or the Related Member(s) have any citation under the Occupational Safety and Health Act that have become a final order within the past three years for willful serious violations or for failing to abate serious violations?	No
3	Loan Defaults	Is the Company, or the Related Member(s) currently in default on any loan or grant previously made by the State of North Carolina?	No
4	Incentive History	Has the Company, or Related Member(s) ever defaulted on an economic development grant or incentive or been sued by a grantor with respect to an economic development grant or incentive from the State of North Carolina?	No
5	Creditor Losses, Litigation, Government Investigations	Has any member of management or any principal of the Company, or the Related Member(s) been involved in a financial reorganization, a bankruptcy, or other situation that led to losses by creditors or bond buyers, investor lawsuits, or government investigation alleging fraud or impropriety?	No
6	Pending or Threatened Litigation	Is the Company, or Related Member(s) subject to any claim, suit, action, proceeding, or government investigation that is pending or threatened that, individually or in the aggregate, would reasonably be expected to have a material adverse effect on the proposed grantee's finances or operations or the ability to conduct the proposed project, or that would reasonably be expected to impact the NC DIT's decision to award a grant?	No

### Internet Service Provider (ISP) Certification and Attestation

The attached statements and exhibits are hereby made part of this application, and the undersigned representative of the applicant certifies that the information in this application and the attached statements and exhibits are true, correct, and complete to the best of the signatory's knowledge and belief. The signatory further certifies:

1. as Authorized Representative, the signatory has been authorized to file this application by formal action of the governing body;
2. agrees that if a grant is awarded, the applicant will provide proper and timely submittal of all documentation requested by the Grantor Agency;
3. that the applicant has substantially complied with or will comply with all federal, state, and local laws, rules, regulations, and ordinances as applicable to this project;
4. that the applicant certifies the financial and organizational strength regarding the ability to successfully meet the terms of the grant requirements and the ability to meet the potential for repayment of grant funds; and
5. attests that the proposed project area is eligible.

**Authorized Representative**

Authorized Representative			
Name:	Andy D. Hull	Title:	Engineering Manager
Date:	05/03/2022		