

Combined Two Year Broadband Planning and Mapping Budget, Federal funds and Match

	Applicant		Total	Notes
	Share	Federal Share		
Personnel Salaries	9,854	342,715	352,569	
Personnel Fringe Benefits	2,759	73,514	76,273	
Travel	-	58,257	58,257	
Equipment	-	69,035	69,035	
Materials/Supplies	-	17,470	17,470	
Subcontracts	125,031	258,103	383,134	
Construction	-	-	-	
Other	1,291,602	30,400	1,322,002	
Total Direct Costs	\$ 1,429,246	\$ 849,494	\$ 2,278,740	
Total Indirect Costs	606,807	364,069	970,876	
Total Costs	<u>\$ 2,036,053</u>	<u>\$ 1,213,563</u>	<u>\$ 3,249,616</u>	

Detailed Mapping Budget

Cost	YEAR 1			YEAR 2			Total
	Applicant Share	Federal Share	Total	Applicant Share	Federal Share	Total	
Personnel Salaries							
GIS							
Total	4,842	167,998	172,840	5,012	174,718	179,729	352,569
Personnel Fringe Benefits							
Employer's FICA Tax		12,852	12,852		13,366	13,366	26,218
Unemployment Tax		840	840		874	874	1,714

	Health/Dental/Vision Insurance	9,576	9,576		9,959	9,959	19,535
	Disability & Life Insurance	1,008	1,008		1,048	1,048	2,056
	Accrued Paid Time Off	6,048	6,048		6,290	6,290	12,338
	SIMPLE Match	5,040	5,040		5,242	5,242	10,282
	Gym Benefit	168	168		175	175	343
	Professional Development	504	504		524	524	1,028
	State of Minnesota Fringe	1,356	1,356	1,403		1,403	2,759
Total		1,356	36,036	37,392	1,403	37,478	38,881
Travel							
	Airfare	11,500	11,500		9,360	9,360	20,860
	Hotel	9,000	9,000		8,320	8,320	17,320
	Rental Car	6,120	6,120		5,429	5,429	11,549
	Per Diem	3,060	3,060		2,714	2,714	5,774
	Mileage	1,518	1,518		1,236	1,236	2,754
Total		-	31,198	31,198	-	27,059	27,059
Equipment							
Total		-	56,884	56,884	-	12,151	12,151
Materials/Supplies							
Total		-	11,570	11,570	-	5,900	5,900
Subcontracts							

	Research Consultant	-	1,800	1,800	-	1,872	1,872	3,672
Total		63,380	147,741	211,121	61,651	110,362	172,013	383,134
Construction								
Total		-	-	-	-	-	-	-
Other								
	Outreach & Education	20,000	20,000	40,000	10,400	10,400	20,800	60,800
	Connect Minnesota Broadband Map Dataset	441,001		441,001			-	441,001
	State of Minnesota Datasets	816,192		816,192			-	816,192
	MN Office Space	1,965		1,965	2,044		2,044	4,009
Total		1,279,158	20,000	1,299,158	12,444	10,400	22,844	1,322,002
Total Direct Costs		1,348,736	471,427	1,820,163	80,510	378,067	458,577	2,278,740
Total Indirect Costs		575,223	202,040	777,263	31,584	162,029	193,613	970,876
Total Costs		1,923,959	673,467	2,597,426	112,094	540,096	652,190	3,249,616



Connected Nation Response to NTIA State Specific Follow-Up Questions

Minnesota:

1. **The application makes some mention of the CN mapping project that has already been completed in Minnesota. Please provide additional details on that project. For example, the number of participating broadband providers, equipment purchased for the processing of data, verification efforts, coordination with state entities, etc.**

An omnibus bill containing language to create a statewide broadband inventory mapping project was included in SF 3337, which passed the Minnesota legislature on May 7, 2008 and was signed into law by Gov. Tim Pawlenty on May 12, 2008. The Minnesota Department of Commerce was charged with issuing a Request for Proposals (RFP) from qualifying vendors. Connected Nation, through its wholly-owned subsidiary Connect Minnesota, submitted a bid and was subsequently selected by the Minnesota Department of Commerce to develop a map for the state beginning in November 2008.

Through February 1, 2009, data was collected from ninety-eight (98) broadband providers and a preliminary map was released for public review and input on that date via www.connectmn.org. Between February 1 and June 30, 2009, data from an additional twelve (12) broadband providers was collected and applied to the map, for a total of one hundred ten (110) providers represented. Connected Nation also refined the preliminary maps during this time based on feedback from the public, from the Minnesota Ultra High-Speed Broadband Task Force, and from broadband providers themselves.

A “final” map was released to the public on June 30, 2009. On this date, Connected Nation’s contract with the Minnesota Department of Commerce expired.

During the engagement period, Connected Nation staff members spent approximately 6 weeks in the field conducting data validation on fixed and mobile wireless, cable modem and DSL services. Random sites were selected in order to represent a statistically significant sampling from each platform.

Equipment and Software Used in Support of the Project:

When the Minnesota project began, Connected Nation owned and did not need to purchase basic equipment such as personal computers; however specialized hardware investments have been directly accounted in production of broadband maps in Minnesota. Servers that house the file database structure, web servers and application servers are all required to display broadband inventory. In addition, Minnesota’s mapping effort also includes a large format printer and spectrum analyzing equipment used in the collection and depiction of broadband availability with a high degree of accuracy and reliability in support of field data

validation efforts. Software expenses are driven from licensing of such products as the costly ESRI ArcView, ArcInfo, ArcGIS server, and ArcGIS Business Analyst suite of products as well as wireless propagation software. Collectively, these required solutions account for substantial investment in industry leading solutions to deliver accurate, reliable depictions of broadband availability.

2. With how many providers in South Carolina (we believe you intended this to mean Minnesota) has CN already established a legal relationship?

A total of one hundred ten (110) broadband providers in Minnesota provided availability data for the original Minnesota broadband map that was completed in June 2009. Those providers are:

- 702 Communications
- Ace Communications Group
- Albany Mutual Telephone Association
- Arrowhead Communications (Hector Communications)
- Arvig Communications System
- Arvig Telephone Company (TDS Telecom)
- AT&T
- Bagley, City of
- Barnesville, City of
- Benton Cooperative Telephone Company
- BEVCOMM
- Blackduck Telephone Company (Paul Bunyan Rural Telephone Cooperative)
- Blue Earth Valley Telephone Company (BEVCOMM)
- Boyd, City of
- Bridgewater Telephone Company (TDS Telecom)
- Broadband Corp
- Browns Valley Telephone Company (Park Region Mutual Telephone Company)
- Callaway Telephone Company (Arvig Communications System)
- Cannon Valley Telecom (BEVCOMM)
- Charter Communications
- Christensen Communications
- Comcast Communications
- Consolidated Telephone Company (CTC)
- Crosslake Communications
- diversiCOM
- DM Broadband
- Dunnell Telephone Company
- Eagle Valley Telephone Company (Hector Communications)

- East Otter Tail Telephone Company (Arvig Communications System)
- Easton Telephone Company (BEVCOMM)
- Eckles Telephone Company (BEVCOMM)
- Embarq
- Emily Cooperative Telephone Company
- En-Tel Communications (Lakedale Communications)
- Enterpoint Wireless
- Enventis (Hickory Tech)
- Evertex Wireless
- Farmers Mutual Telephone Company (Federated)
- Federated Telephone Cooperative (Federated)
- Felton Telephone Company (Hector Communications)
- Frontier Communications
- Garden Valley Telephone Company
- Gardonville Cooperative Telephone Association
- Granada Telephone Company (Hector Communications)
- Halstad Telephone Company
- Harmony Telephone
- Hector Communications
- Hiawatha Broadband
- Hickory Tech
- Hills Telephone Company (Alliance Communications)
- Home Telephone Company
- Hutchinson Telecommunications (NU-Telecom)
- Hutchinson Telephone Company (NU-Telecom)
- Info Link Wireless
- Integra Telecom
- Interstate Telecommunications Cooperative
- InvisiMax
- Jaguar Communications
- KM Telecom
- Lakedale Communications
- Larson Utilities
- Lonsdale Telephone Company Map
- Loretel Systems (Hector Communications)
- Mabel Cooperative Telephone Company
- Mainstreet Communications (diversiCOM)
- Manchester-Hartland Telephone Company
- Mankato Citizens Telephone Company (Hickory Tech)
- Mediacom

- Melrose Telephone Company (diversiCOM)
- Mid-Communications (Hickory Tech)
- Midcontinent Communications
- Mid-State Telephone Company (TDS Telecom)
- Midwest Telephone Company (Arvig Communications System)
- Min-Kota Ag Wireless
- Minnesota Lake Telephone (BEVCOMM)
- Minnesota Valley Telephone Company (Larson Utilities)
- MVTV Wireless
- NU-Telecom
- Osakis Telephone Company (Arvig Communications System)
- Otter Tail Telecom (Park Region Mutual Telephone Company)
- Park Region Mutual Telephone Company
- Paul Bunyan Rural Telephone Cooperative
- Peoples Telephone Company (Arvig Communications System)
- Pine Island Telephone Company (Hector Communications)
- Polar Communications
- Qwest Corporation
- Red River Telephone
- Rothsay Telephone Company
- Runestone Telephone Association
- Sheehan Gas
- Sherburne Telephone Systems, Inc.
- Sioux Valley Wireless
- Sjoberg, Inc.
- Sleepy Eye Telephone Company (Hector Communications)
- Spring Grove Communications
- TDS Telecom
- Twin Valley-Ulen Telephone Company (Arvig Communications System)
- US Cable
- Valley Telephone Company (Park Region Mutual Telephone Company)
- Verizon
- West Central Telephone Association
- Western Telephone Company (NU-Telecom)
- Wikstrom Telephone Company
- Windomnet
- Winnebago Cooperative Telecom Association
- Winsted Telephone Company (TDS Telecom)
- Winthrop Telephone Company (Larson Utilities)
- Wisper Wireless (diversiCOM)

- Wolverton Telephone Company (Polar Communications)
- Woodstock Telephone Company

- 3. Given CN's previous work in Minnesota, it would often be the case that costs would be lower than in states just standing up a mapping program. However, the justification for the Minnesota costs appear to be the same as for those in states in which you have not yet begun a mapping program. Please provide a justification for this methodology.**

Because of our previous mapping work in Minnesota, the staff time required for both the GIS and the Engineering staff for the creation of an initial map is the same as for the creation of an update, an estimated 50% reduction in the time that would have otherwise been required.

- 4. You have requested to use as an in-kind match the prior broadband maps developed for Minnesota. Please describe how these will be utilized in the current project and/or note where this description appears in the application.**

An explanation of the valuation of the maps previously produced for the State of Minnesota is attached to our grant application under the Budget Narrative Section by click on the "Optional Other Attachment" button. The filename is titled "MN Valuation of Existing Maps.pdf." Connected Nation has employed a replacement cost approach to assign a value to the broadband maps that have been previously produced for Minnesota, for a total value of \$441,001.

Connected Nation will utilize the maps and the work that was associated in developing those maps as the foundation for the development of maps that are compliant with the data specifications set forth by the NTIA in the Mapping NOFA and its clarification. These maps and the supporting data for them provide a great baseline of data from which Connected Nation will be able to build on. It is also imperative that these maps and the previous data collected for them is utilized to ensure that any potential areas that were seen as problems in the past can be further investigated and thorough attention to questions that were raised can be included as a part of the mapping process.

- 5. Please explain why the timeline is substantially similar for South Carolina (we believe that NTIA was referring to Minnesota here) as it is for states that have not begun broadband mapping.**

- New NDAs have to be signed with each of the providers. This will replace the previous version, which had been executed by the provider community, with NDA's that are NOFA compliant.

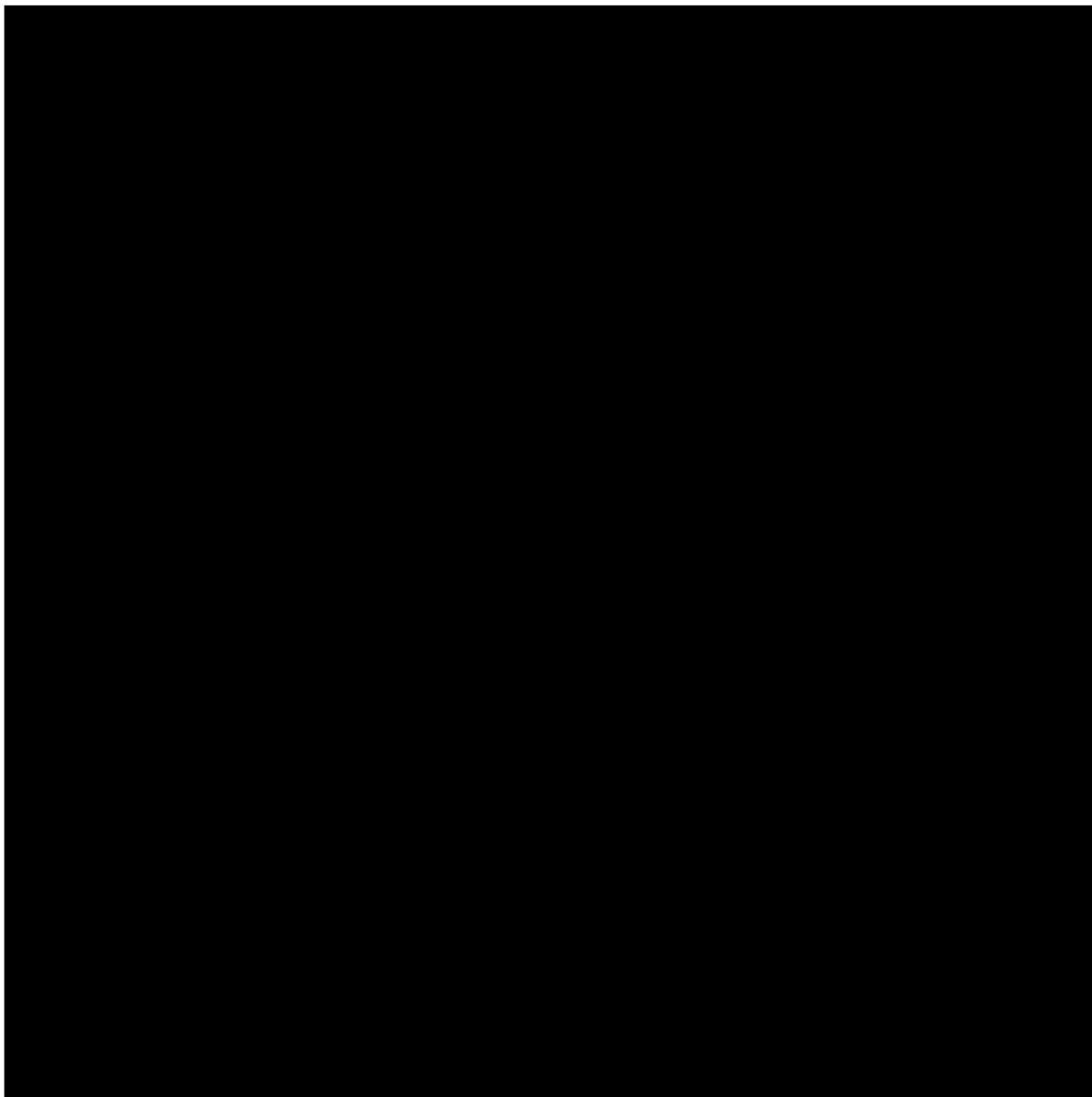
- New datasets must be collected from each provider, including speed data which will enable Connected Nation (d.b.a. Connect Minnesota) to conform to the requirements of the NTIA NOFA.
- Field validation of the data must take place. In order to comply with NTIA requirements, field validation will be conducted to ensure that information collected on, or in regards to anchor institutions and to ensure that a larger cross section of information is validated across the state of Minnesota. As was the case during the initial mapping engagement, it is anticipated that winter weather will severely impact the field validation work. Driving times are significantly increased; electronic equipment must be kept warm (as well as ensuring that staff members are working in a safe environment, etc). During several field validation trips in late 2008 and early 2009 it was not uncommon for the weather to be sub-zero.
- Data has to be converted into datasets that can be supplied to NTIA

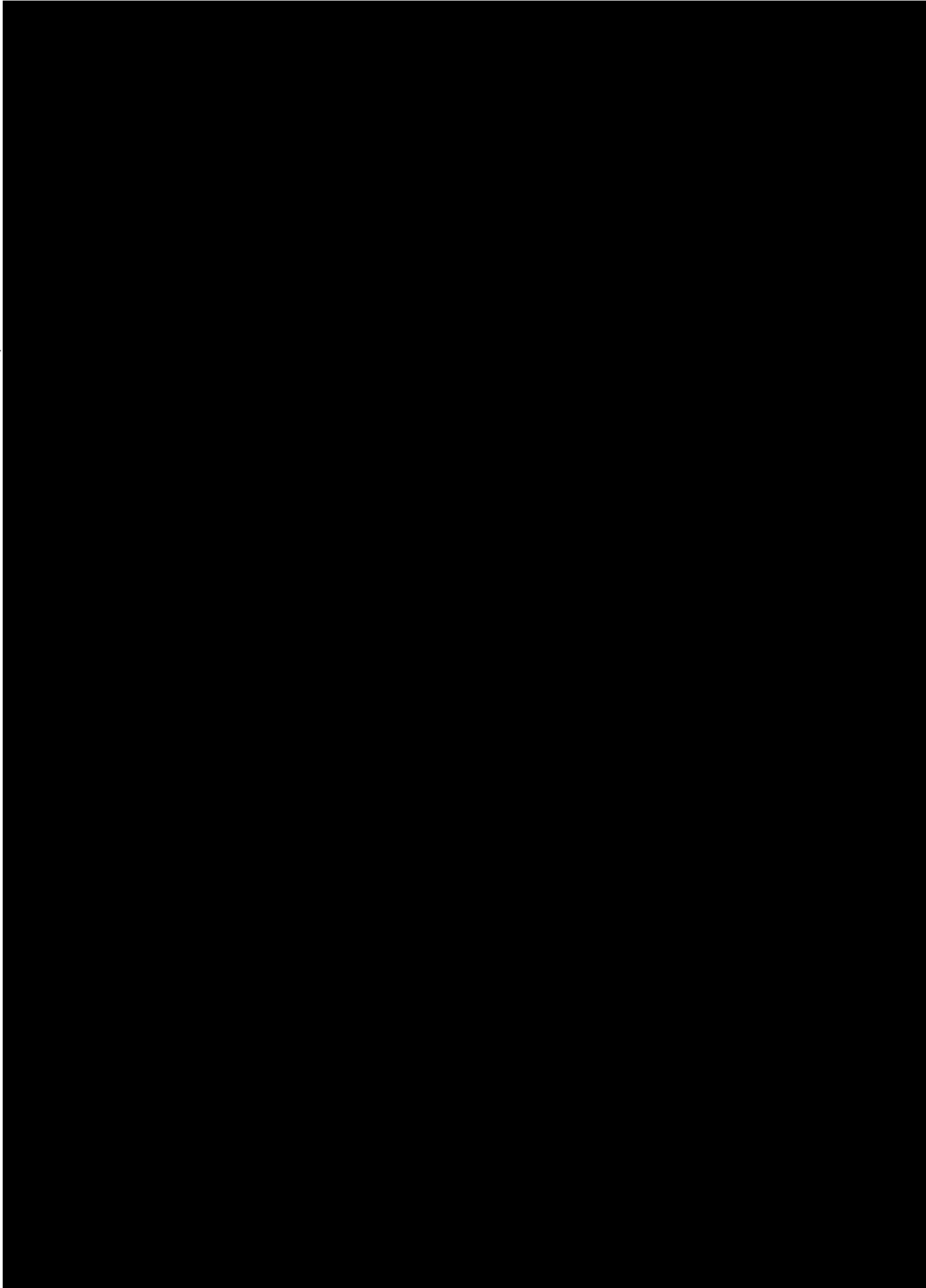


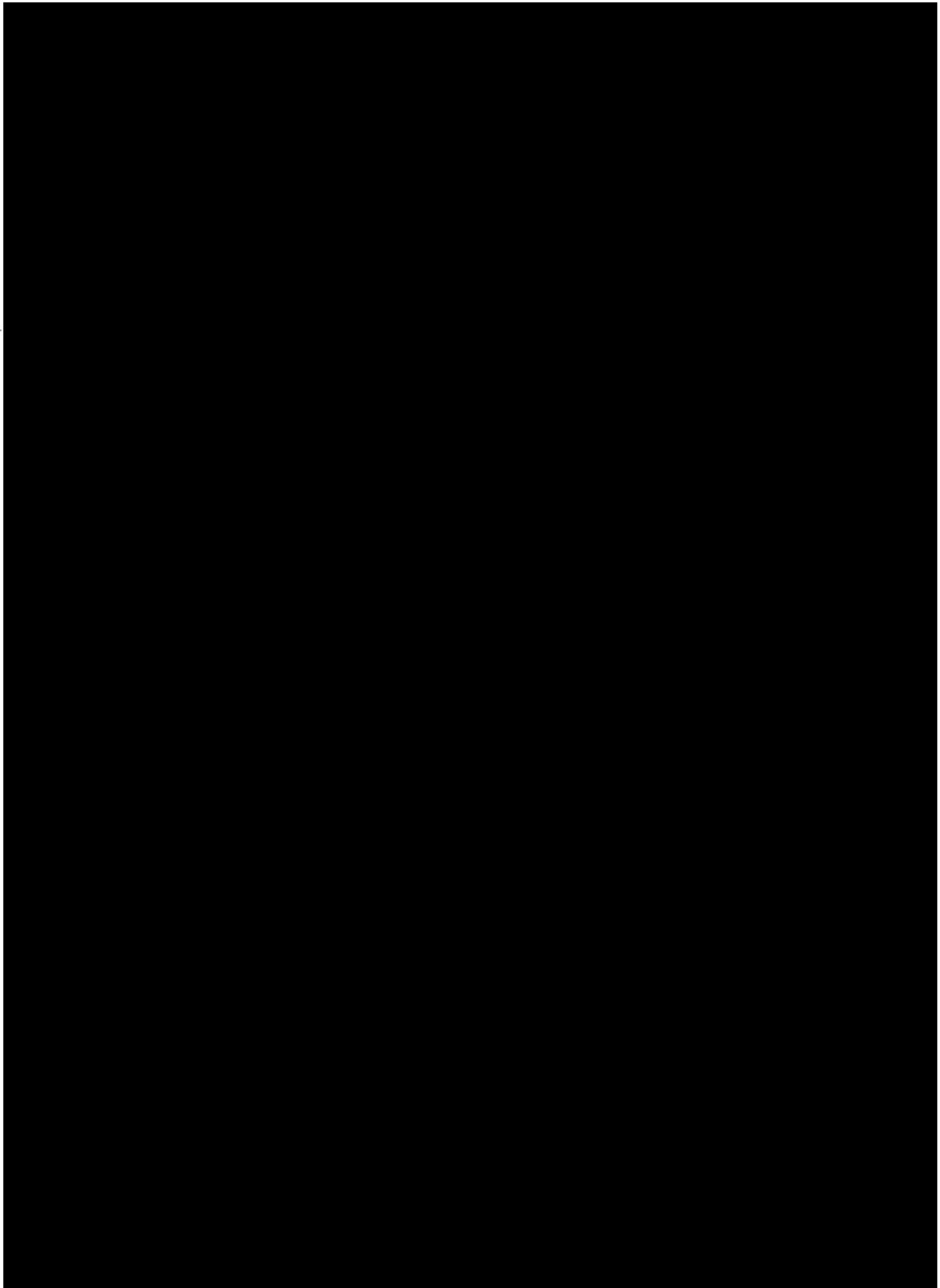
STATE OF MINNESOTA
MAPPING NARRATIVE

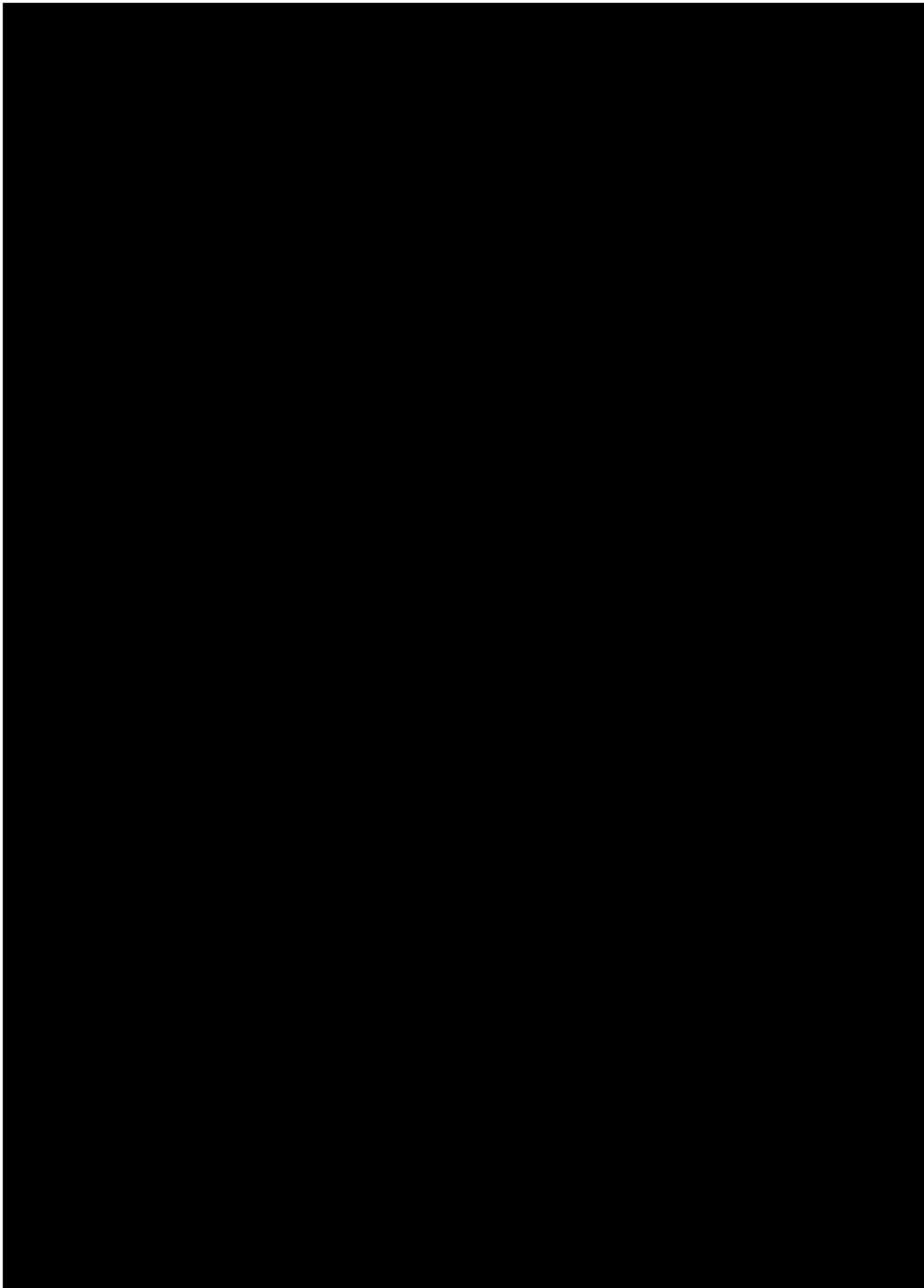
Personnel Salaries: For each position allocated to the projects, provide a description of the position responsibilities, annual salary, and percentage of time dedicated to this project for Year 1 and Year 2. Please ensure that costs are clear for both Years 1 and 2, as opposed to both years cumulatively.

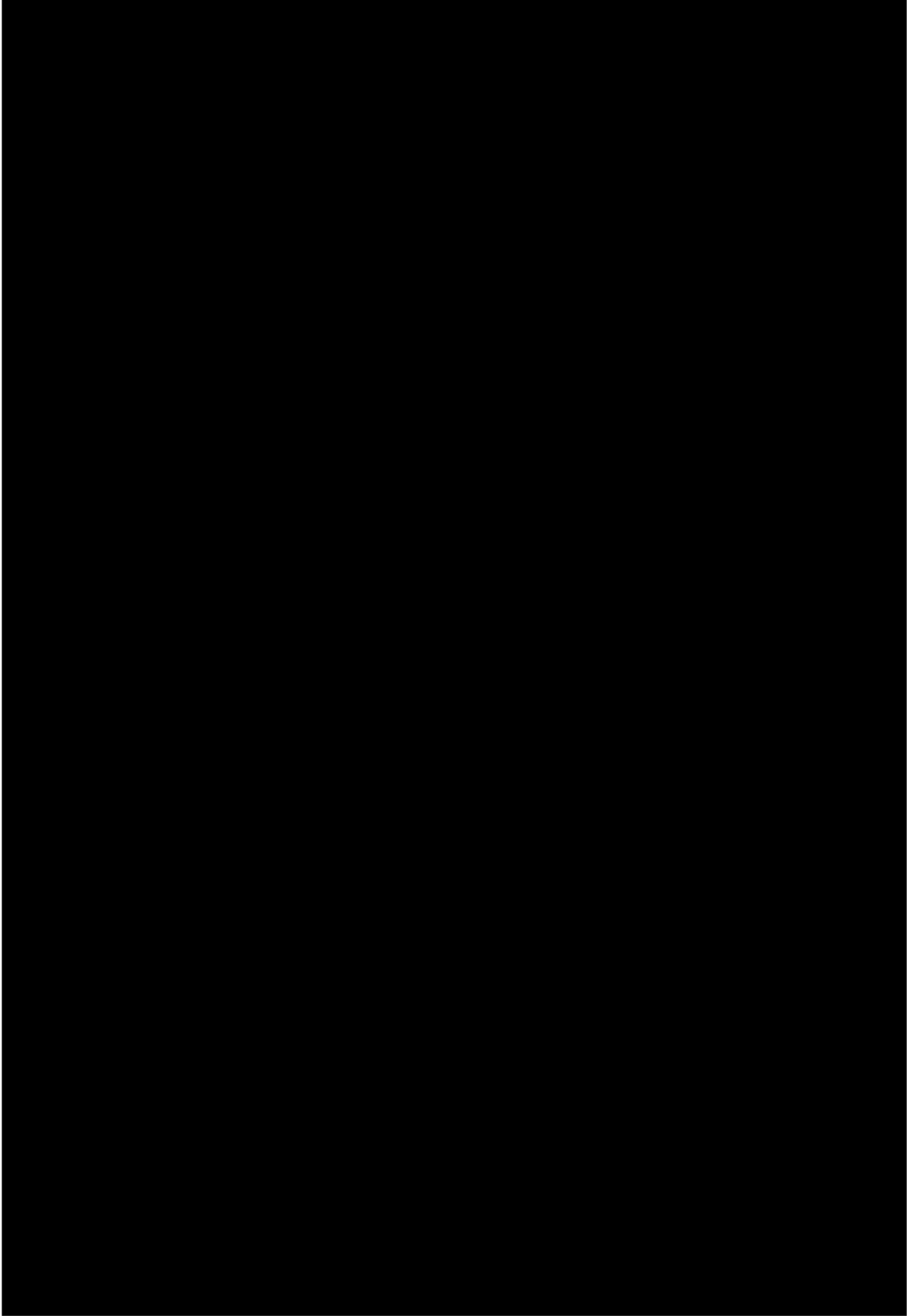
Unless otherwise specifically stated, personnel costs are requested from federal sources.

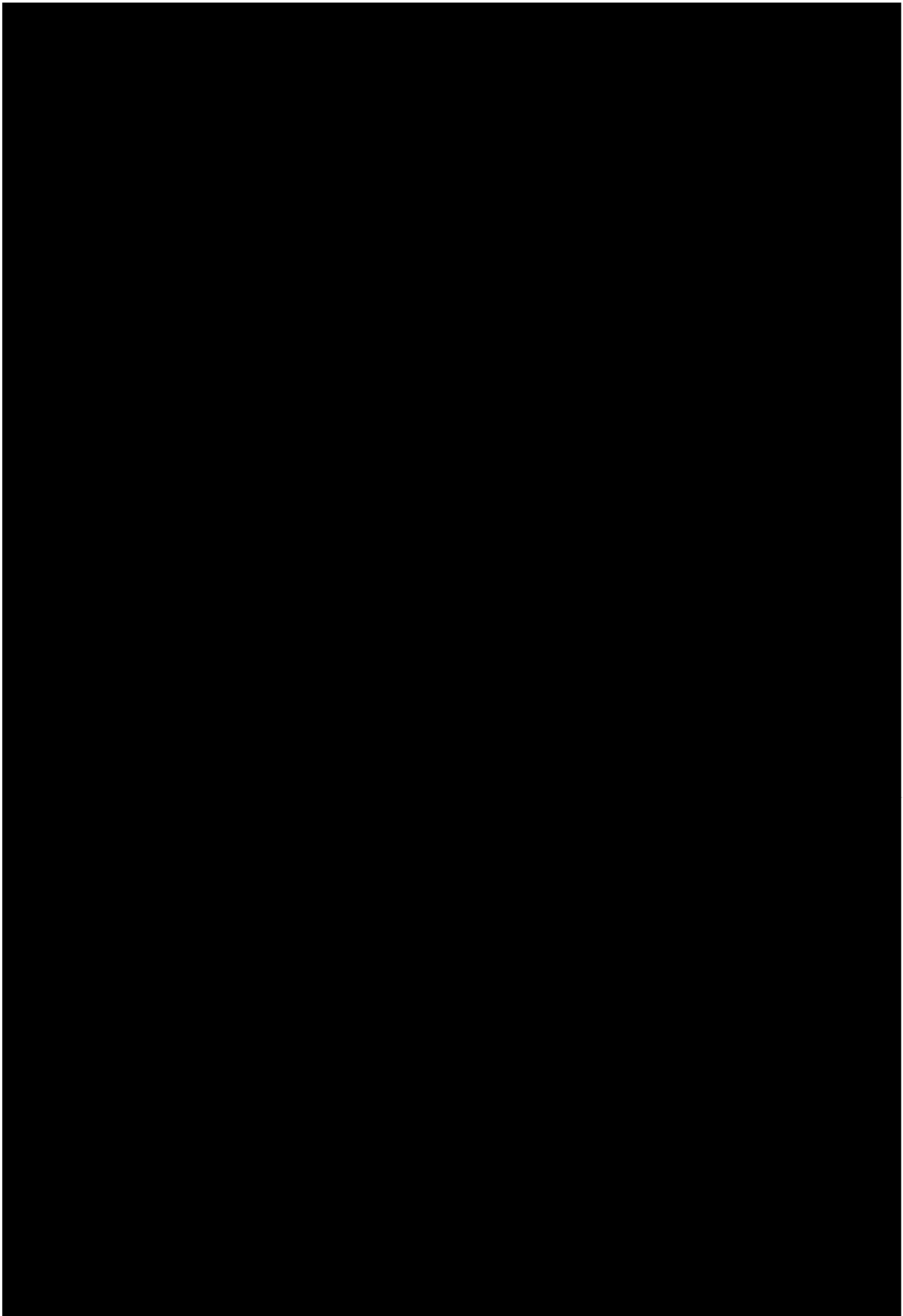


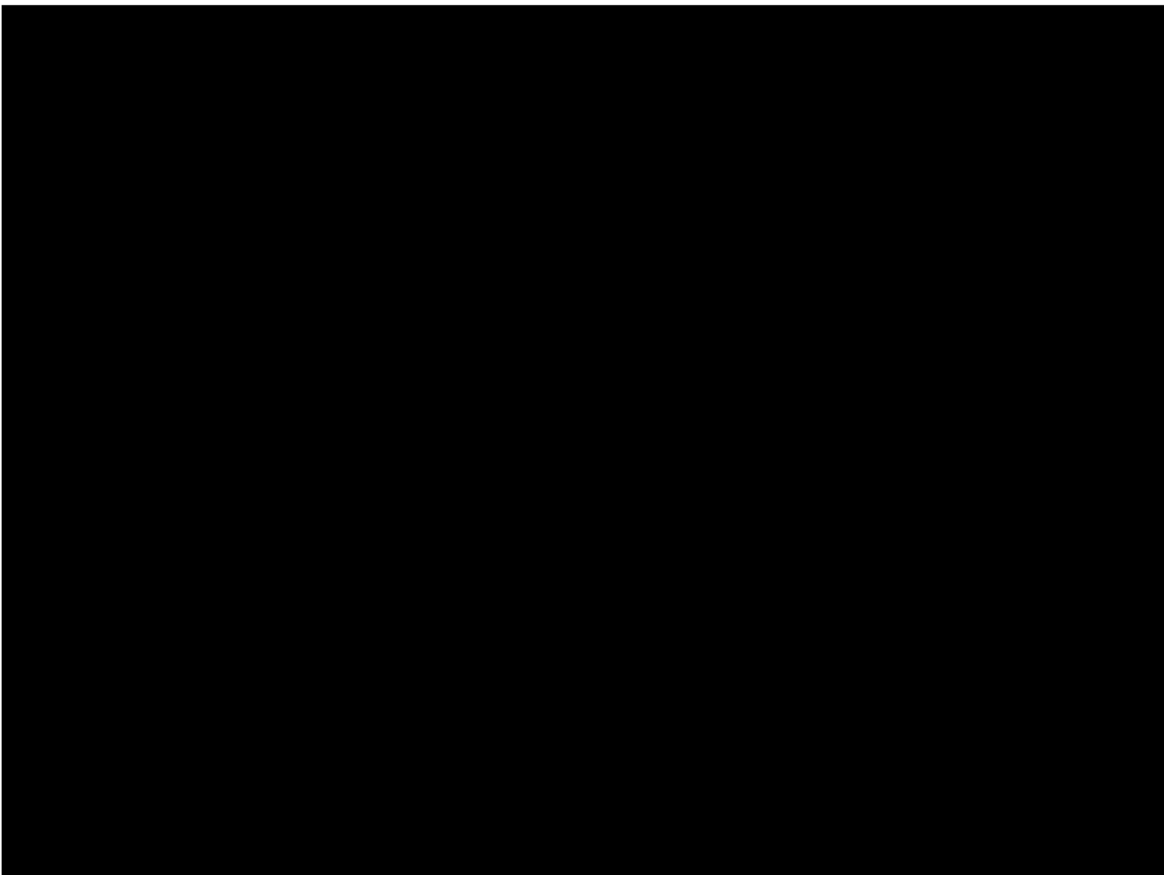












Personnel Fringe Benefits: For each position allocated to the projects, provide the cost for fringe benefits, if available.

Fringe Benefits

Fringe Benefits are projected as a percentage of the personnel's annual salary calculated as follows: Employer's FICA Tax (7.65%), Unemployment Tax (.5%), Health/Dental/Vision Insurance (5.7%), Disability & Life Insurance (.6%), Accrued Paid Time Off (3.6%), SIMPLE match (3%), Gym benefit (.1%) and Professional Development (.3%). The total projected percentage cost will be 21.45% of the personnel salaries. Projected fringe benefit cost for CN staff during is \$36,036 for year 1 and \$37,478 for year 2, all to be paid from federal sources. Through 9/30/09, CN has incurred pre-award costs related to fringe benefit costs totaling \$879, all to be paid from federal sources.

State of Minnesota benefits for the State of Minnesota staff are expected to be \$1,356 for year 1 and \$1,403 for year 2, all paid from an in-kind contribution from the state.

Travel: Provide additional information such that the basis for all figures is clear. For example, if assuming airplane travel, provide an estimated cost for each roundtrip ticket and how many trips are expected. For mileage, provide an estimate of how many miles are expected and how many trips, etc.

Projected Travel Costs

Airplane travel cost is projected to be \$500 per roundtrip with 23 trips expected in year 1 for a total cost of \$11,500 and 18 trips in year 2 for a total cost of \$9,360. All travel costs for year 2 reflect a 4% inflation adjustment. Hotel room cost is projected to be \$200 per room with 45 night's occupancy in year 1 for a total cost of \$9,000 and with 40 night's occupancy in year 2 for a total cost of \$8,320. Rental car expense is projected to be \$90 per day with 68 days projected rental in year 1 for a total cost of \$6,120 and with 58 days projected rental in year 2 for a total cost of \$5,429. Per diem allowance for meals is projected at \$45 per day based on the current standard federal per diem rate, with 68 days of travel in year 1 for a total cost of \$3,060 and with 58 days of travel in year 2 for a total cost of \$2,714. Mileage travel cost is projected at \$.55 per mile, the current applicable standard federal rate, and average trips of 120 miles with 23 expected trips in year 1 for a total cost of \$1,518 and 18 expected trips in year 2 for a total cost of \$1,236.

The Minnesota travel costs consist of planned trips by 5 different categories of employees or consultants:

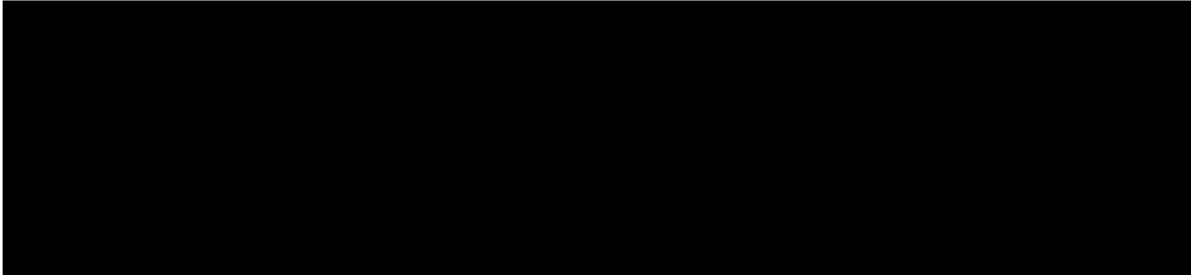


Through 9/30/09, CN has incurred pre-award costs related to travel costs totaling \$1,914, all to be paid from federal sources.

Connected Nation may incur additional travel expenses as needed to fulfill the requirements of this project.

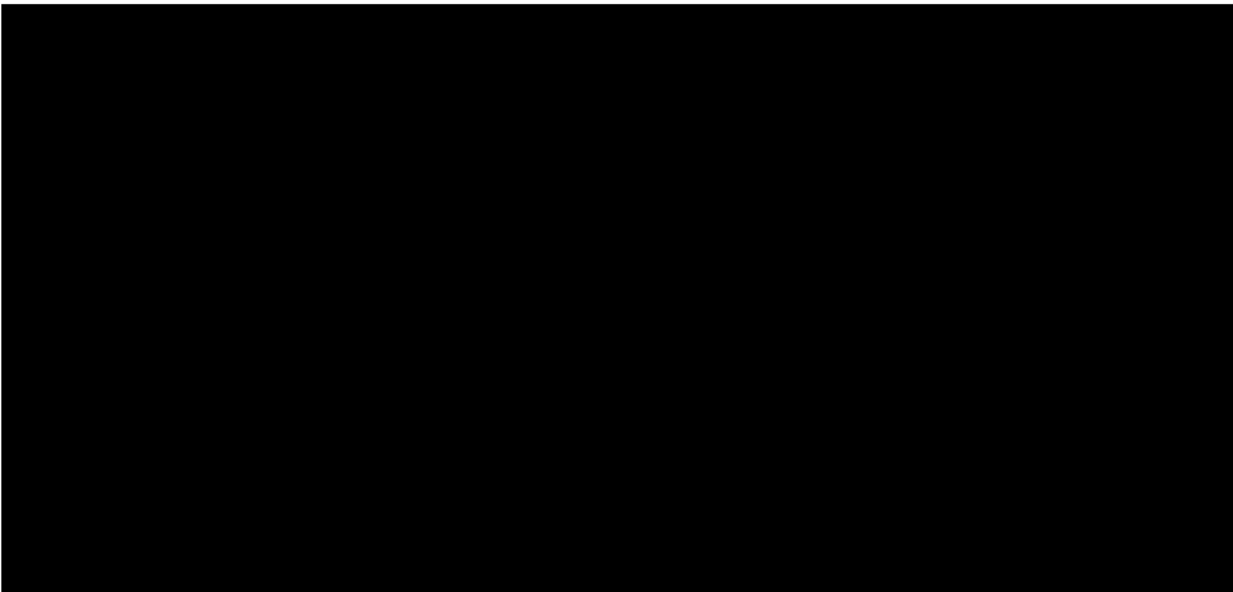
Equipment: For hardware costs, provide a detailed description of all equipment to be purchased, when it will be purchased in the first two years, and the basis for the figures used.

Equipment



BroadbandSTAT is the next generation in broadband mapping, providing a comprehensive mapping portal for states to manage broadband stimulus projects and activities through the ARRA. Using ESRI's ArcGIS Server and its API mapping technologies to incorporate broadband mapping and survey data with demographic and topographic data from ESRI, the Census Bureau, and other reputable data sources, BroadbandSTAT provides not only a user-friendly GIS viewer to understand and track broadband deployment over time, it also provides an analytical tool for prioritizing unserved and underserved areas, evaluating and tracking stimulus projects, and enabling taxpayers with full transparency and accountability of broadband stimulus funding in their state. BroadbandSTAT empowers states to:

- Leverage the best-of-class, geographic informatics for broadband decision-making
- Build and evaluate scenarios to help score and prioritize broadband proposals
- Provide data-based support for effective grant-making
- Facilitate project investment tracking over time
- Provide access-based tools that are relevant and meaningful for specific audiences, including government agencies, consumers, community leaders, broadband providers, and media



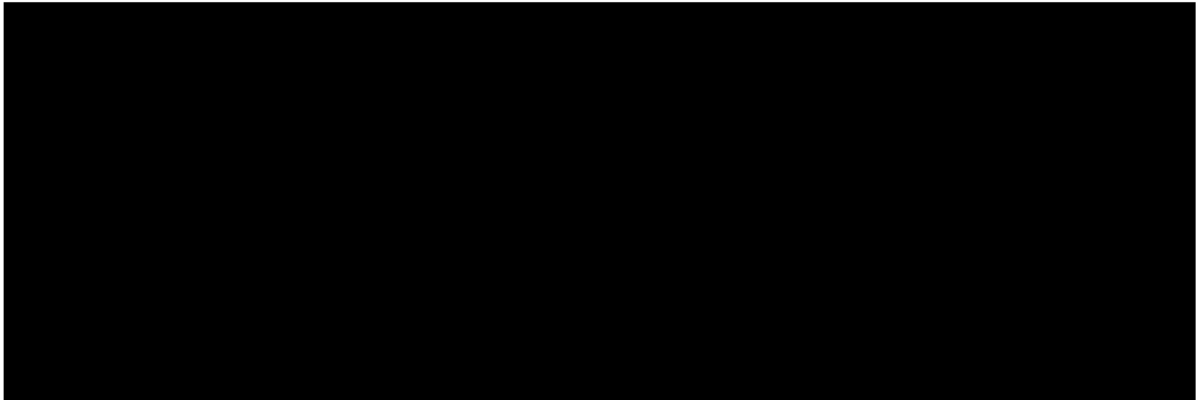
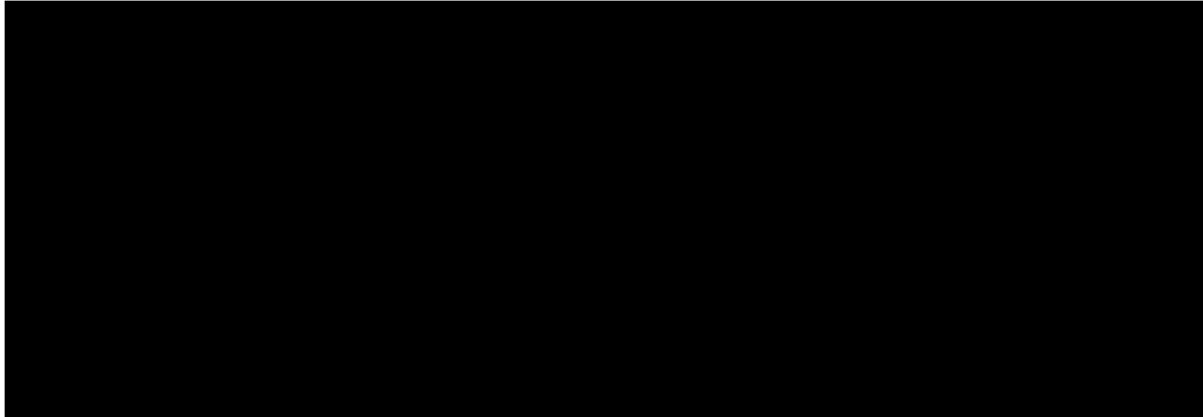


Connect Minnesota may purchase other equipment as needed to fulfill the requirements of this project.

Materials/Supplies:

- *For software costs, provide a detailed description of all equipment to be purchased, when they will be purchased in the first two years, and the basis for the figures used.*
- *For all supplies expected to be purchased, please provide the information such that the basis for figures is clear.*

Materials/Supplies



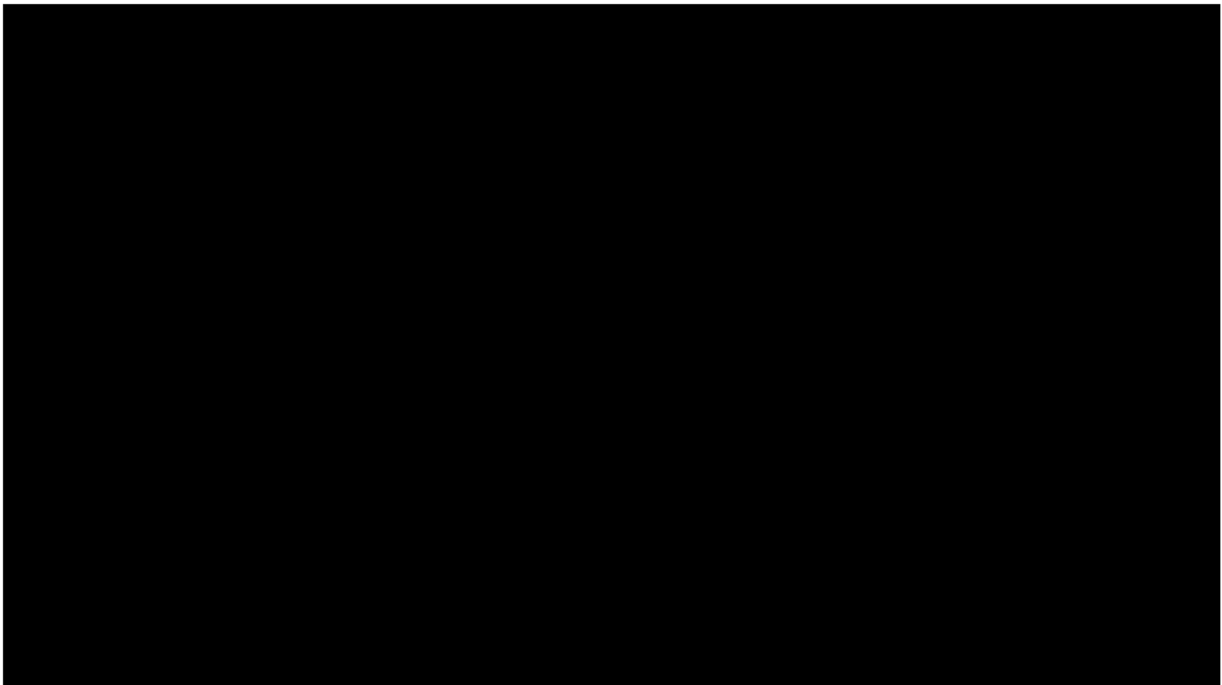
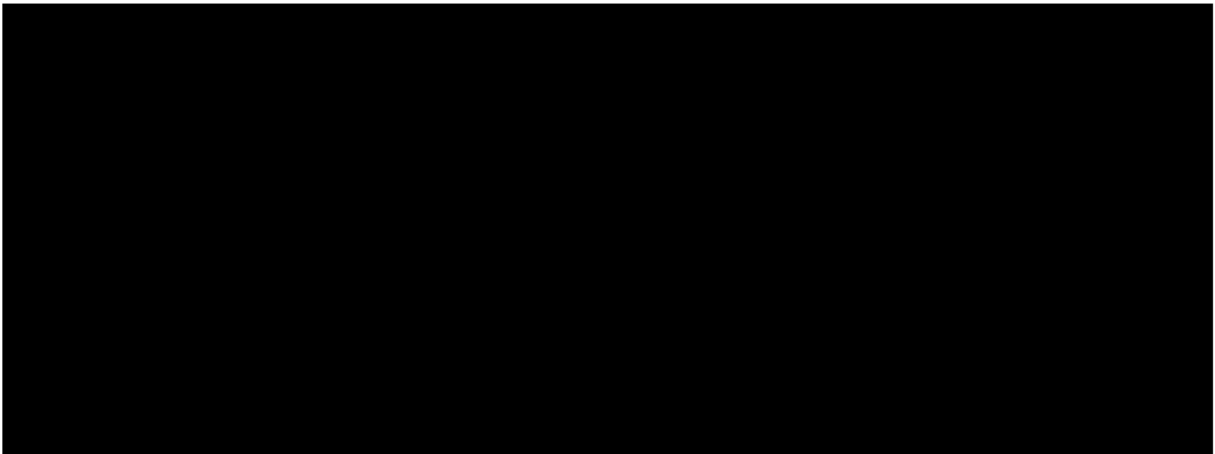


Through 9/30/09, CN has incurred pre-award costs related to materials and supplies totaling \$1,395, all to be paid from federal sources.

Connect Minnesota may purchase other materials and supplies as needed to fulfill the requirements of this project.

Subcontracts: For any significant subcontract, please provide the cost allocation in a format similar to the one listed directly above. Your current contractor budget only allocates personnel hours. If the contractor will be purchasing any equipment, performing any travel, etc. that should be clearly delineated.

Subcontracts





Other

Connect Minnesota will create an outreach campaign for the primary purpose of verification of data. CN will target media outlets in Minnesota that can reach the greatest number of individuals in an outreach effort to drive them to Minnesota's interactive maps and speed test tools. CN has been able to leverage outreach campaigns with media outlets in such way that for every outreach campaign it is expected 1 will be provided in-kind. We plan to target 8 outlets in year 1 and 4 outlets in year 2 with a total cost of \$40,000 and \$20,800 respectively. Of the year 1 cost, \$20,000 will be provided in-kind from the media outlets. Of the year 2 cost, \$10,400 will be provided in-kind from the media outlets. The federal share cost requested would be \$20,000 in year 1 and \$10,400 in year 2. The costs for year 2 reflect a 4% inflation adjustment.

Connect Minnesota Broadband datasets will contribute its datasets related to the current Minnesota maps. The estimated fair market value of the datasets comprising the Minnesota broadband maps is \$441,001.

State of Minnesota datasets will be used and will consist of addresses/connectivity and some GIS data for as many as 800 state sites. While not totally comprehensive in each area, it includes libraries, hospitals, K-12, county courthouses, and partial data for affiliated county organizations and state law enforcement. The estimated value of the datasets is \$816,192. This value is estimated based upon historical cost to build a similar Community Anchor Institution dataset in another state on a per capita basis and considering the percent of data captured in the dataset.

The average work space square footage provided to state personnel in the State of Minnesota is 100 sq. ft. The cost per square foot per year in the building where the Minnesota Department of Commerce is located is \$19.65 through August 31, 2010 and will rise to \$20.24 for September 1, 2010 through August 31, 2011. The state will provide office space at no cost to Connected Nation for 1 employee of the initiative. This amounts to a total annual value of \$1,965 in year 1 and \$2,044 in year 2.

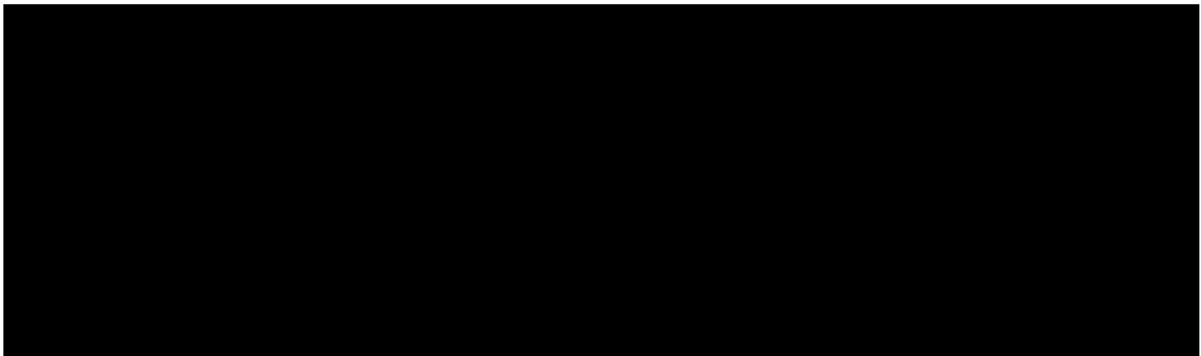
Indirect Costs

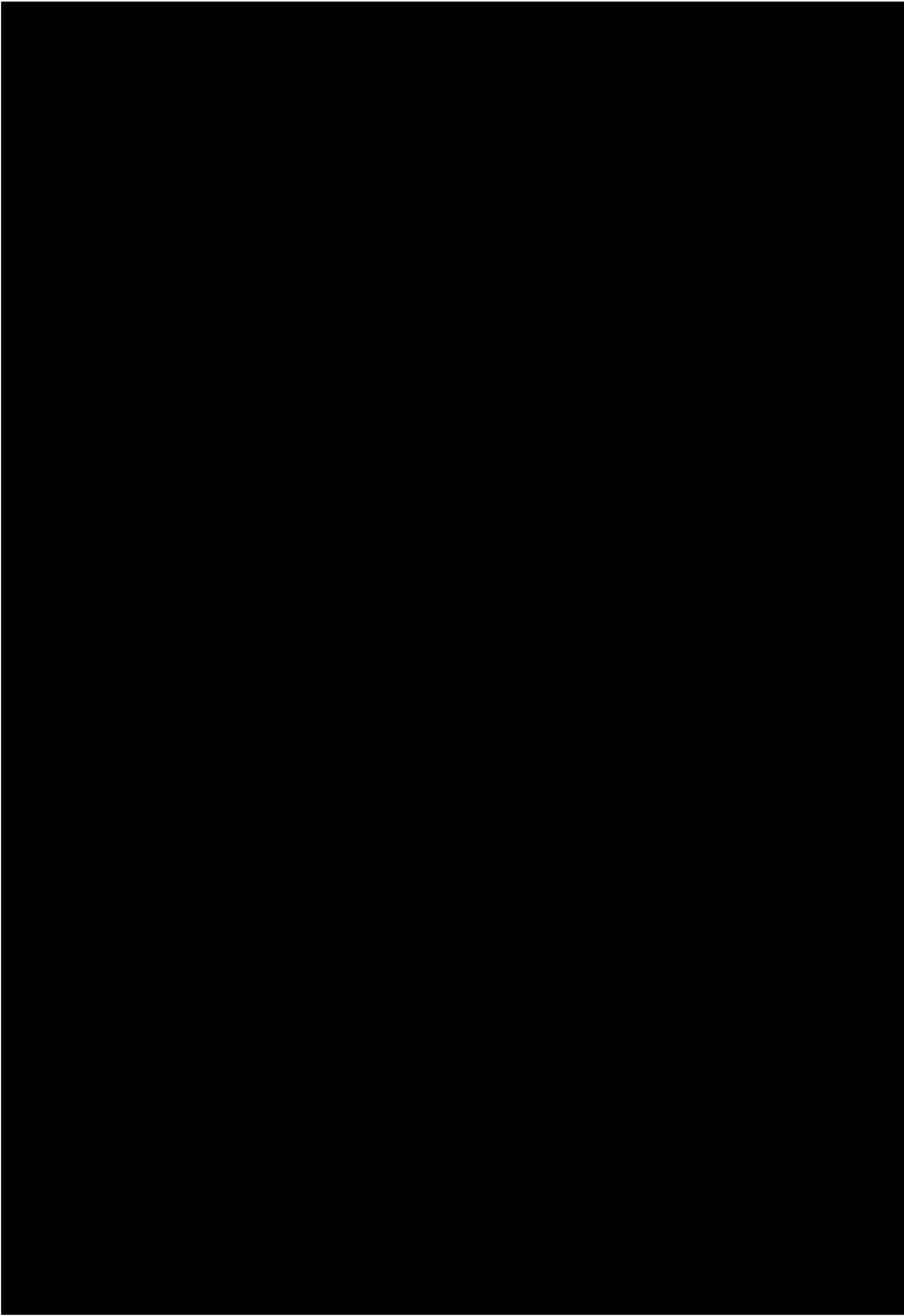
Indirect costs are included at a rate of 30%. While Connected Nation does not currently hold a federal indirect cost rate, CN has calculated its rate in anticipation of requesting an indirect cost rate from the Department of Commerce. Total indirect costs in year 1 are \$777,263 with \$575,223 paid by the state and \$202,040 requested from federal sources. Total indirect costs in year 2 are \$193,613 with \$31,854 paid by the state and \$162,029 requested from federal sources.

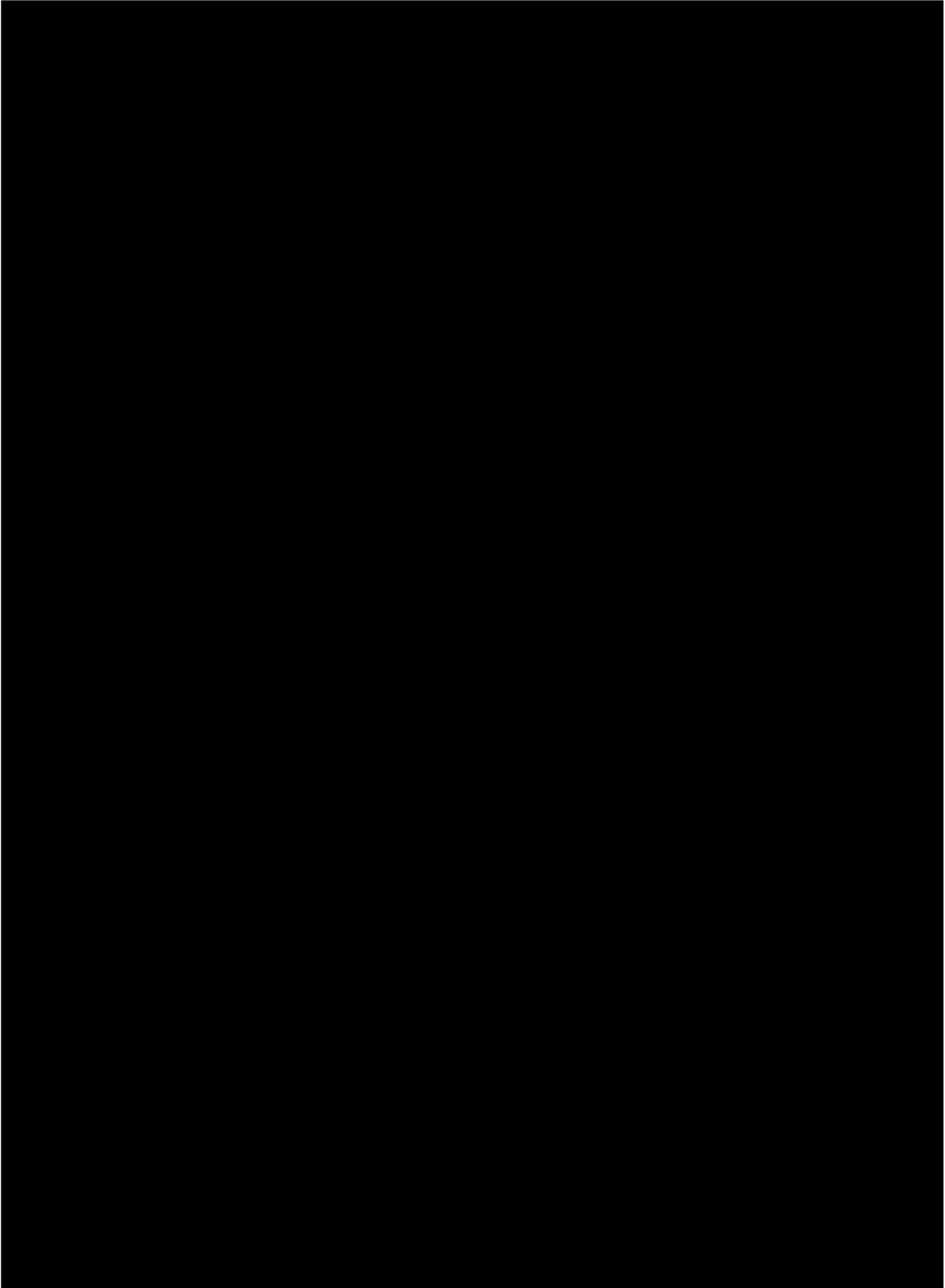
Through 9/30/09, CN has incurred pre-award costs related to indirect costs totaling \$4,237, \$4,151 to be paid from federal sources and \$86 as an in-kind match.

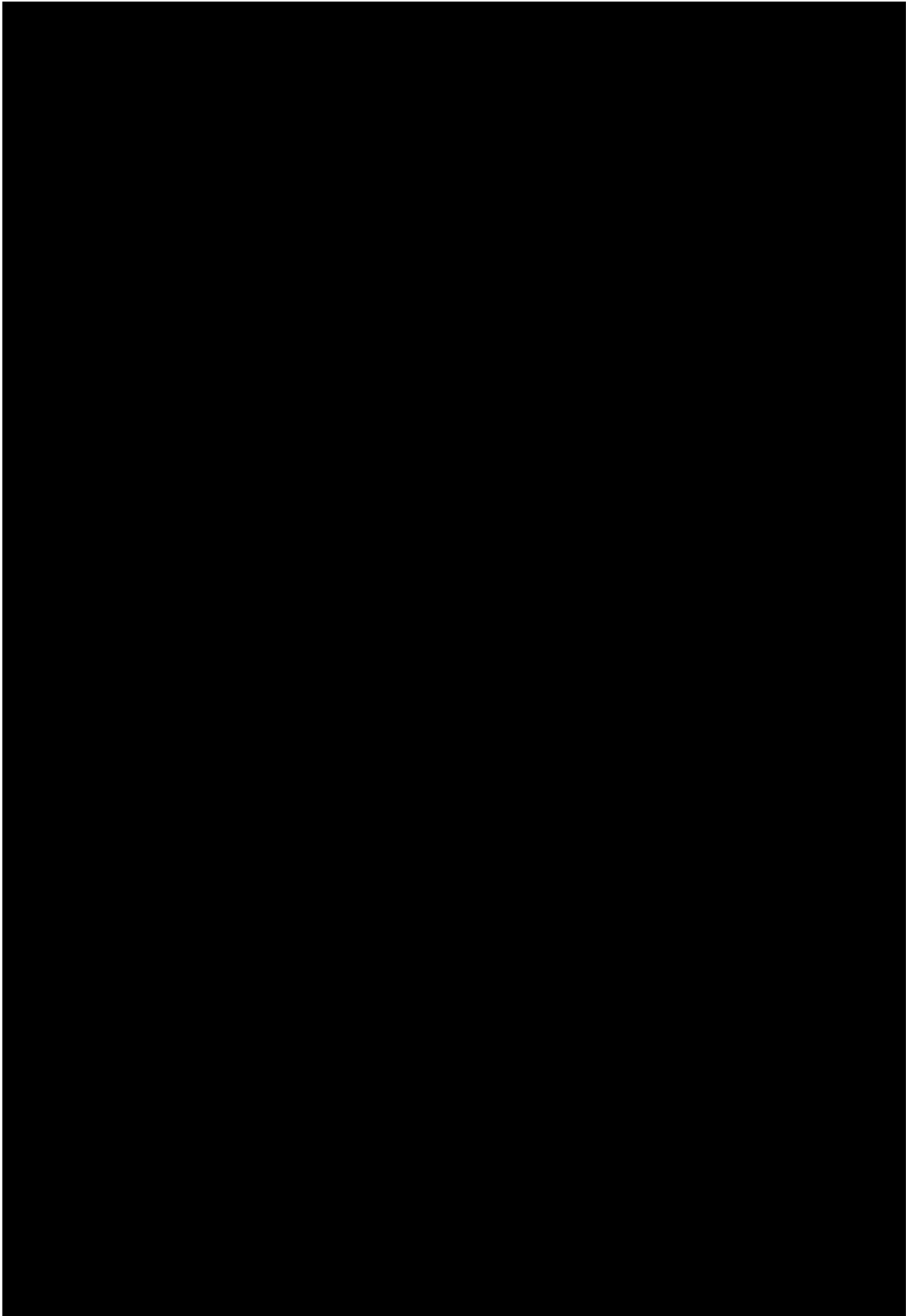
Applicant Capacity, Knowledge, and Experience:

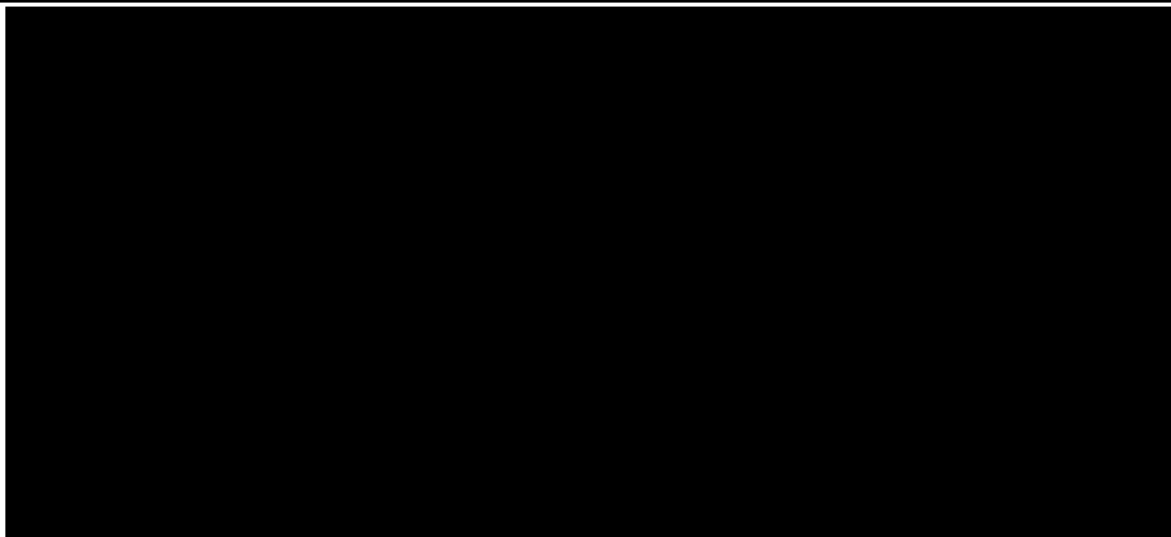
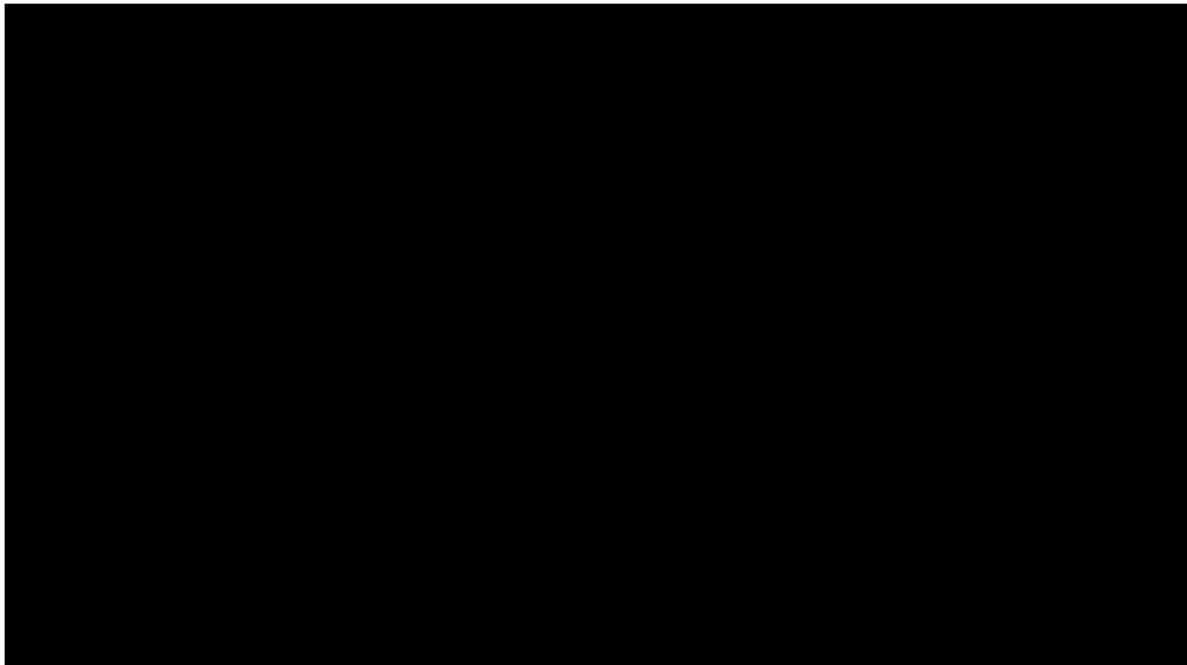
- 1. As described in the NOFA, please provide a description of the knowledge and experience of the applicant and associated project personnel. If you have not yet hired for certain positions please provide a description of the qualifications and expected work activities for these positions.***











The detailed 5-year planning budget and budget narrative will be submitted under separate cover. The 2-year federal amount requested for mapping is \$1,213,563 and the 5-year federal amount requested for broadband planning will be \$495,300 combined federal grant request of \$1,708,863.

MAPPING VALUATION OF CURRENT MINNESOTA MAPS

Connected Nation has been widely recognized as setting the pace nationally for broadband mapping. Connected Nation's depth of experience, expertise and methodology in broadband mapping has been continually refined to improve the product and establish the benchmark standard to which all other similar such efforts has been held. First beginning such work in Kentucky in 2004, Connected Nation then began fielding multiple requests for similar mapping projects in other states having expanded broadband mapping operations to ten states by 2009. Specifically, Connected Nation has embarked upon a prior mapping initiative in the state of Minnesota as a part of the Connect Minnesota program. This grant application proposes to recognize and leverage the foresight of Minnesota leaders' investment in such an effort by dramatically expanding their broadband mapping program consistent with the federal SBDD opportunity.

In order to properly account for this early investment and apply it for the benefit of the state in securing the SBDD grant matching requirements, Connected Nation has employed a replacement cost approach to determine the fair market value of the state's rich set of existing broadband maps. Using this methodology, the current Minnesota mapping dataset is valued at \$441,001.

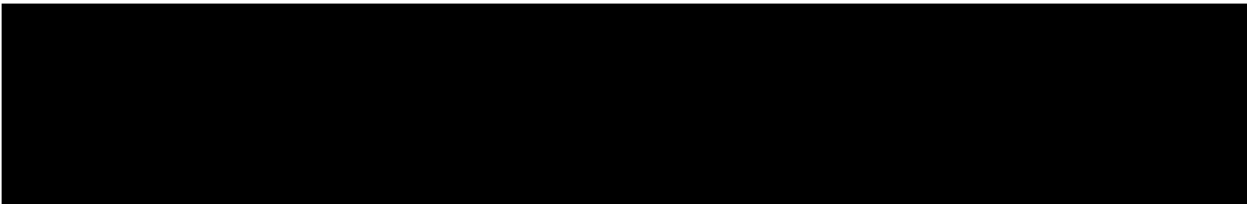
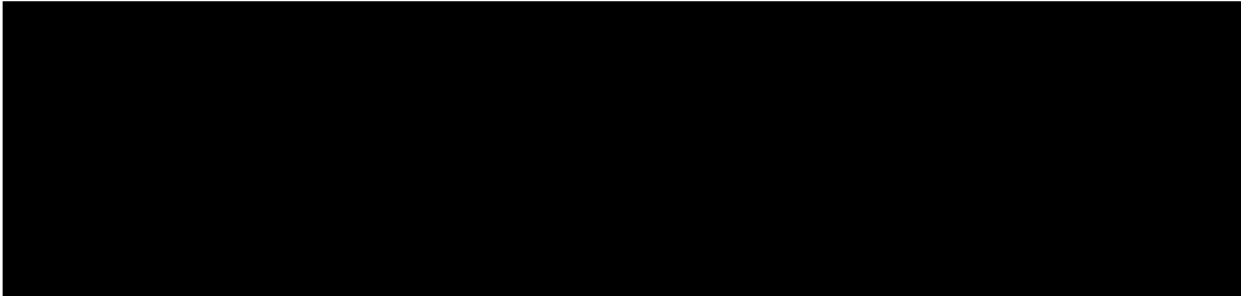
To substantiate this replacement cost valuation, Connected Nation first began by evaluating cost centers involved in prior mapping projects. These budgeted areas for direct costs include: personnel, consultants, legal, equipment, software, supplies, travel and small equipment.

Personnel: Given the professional services nature of the mapping products, by far the greatest expense in creating a broadband map is personnel. Connected Nation maintains a highly detailed time allocation system that exactly accounts for staff time invested in a given project. This time tracking system reveals that sixteen Connected Nation employees have been involved in the Minnesota mapping project to varying levels at present with the obvious majority of the time spent on this project resting with technical staff and key management within the company. The total amount of staff time devoted to the project was 2,996.94 hours. Each employee's external consultant hourly billing rate was then applied to this detailed accounting and aggregated to result in a personnel expense accurately attributable to the prior broadband mapping project. Specifically, the collective personnel expense derived by applying each employee's unique billing rate was \$324,354.60.

Therefore, this level of engagement and associated expenses were reasonable given the scope of the project and similar such scales of staff involvement across other states' mapping projects.

Consultants: Professional consultants are routinely engaged in mapping projects on an as-needed basis to expand staff capacity as peaks in demand for staff time occasionally occur. In the creation of the Minnesota maps, consultant engagement was limited as the ongoing, long-term nature of the project largely enabled ample planning for proper resource allocation, thus negating the need for outside consultants. As such, the total direct billed consulting expense to the Minnesota map creation was \$0.

Legal: Legal expenses associated with the confidential data licensing and other intellectual property concerns associated with creating the broadband maps are significant. As the provider level, Connected Nation's outside Counsel will normally be engaged on an average of 1 billable hour per provider for initial agreement negotiations with a recurring involvement amounting to an average of 0.5 billable hours per provider. In the instance of the Minnesota map, however, legal expenses were not directly tracked to mapping costs but were otherwise accounted for as indirect and other similarly situated expenses. In an abundance of caution because such expenses were likely accounted for otherwise in indirect costs, direct legal expenses were calculated as only \$25 for purposes of mapping valuation.

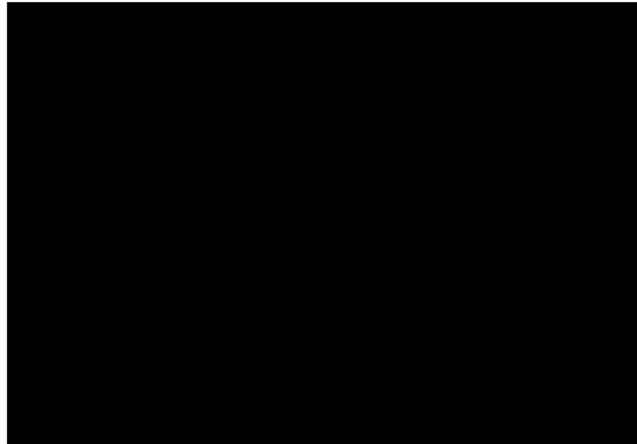


Supplies: Supply costs are directly billed as paper and other such office expenses directly used by the project in the production of maps. This modest directly billed cost was \$1,597.01. While supply expenses to support personnel were clearly higher for a project of this magnitude, these expenses were applied to the indirect cost of overhead expense.

Travel: Travel expenses associated with mapping are high, relatively speaking. While much of the personnel work can be done from a central mapping center housed at Connected Nation, the high mapping standards employed and adhered to by Connected Nation necessitate that professional mapping technicians and engineers spend a large amount of time in the field documenting infrastructure and substantiating provider coverage claims. This resulted in a direct mapping expense of \$7,298.17 inclusive of all updates.

Indirect Overhead Expense: Clearly the direct expenses outlined above are not inclusive of the total costs required to produce broadband maps of the caliber to which Connected Nation delivers. Common expenses that benefit multiple staff and indeed multiple projects generate economies of scale resulting in larger collective cost savings through these efficiencies. Expenses such as office rent, utilities, general supplies, etc. have been collapsed into a shared services allocation of expense based largely on the number of FTE's involved in a project. This presumes overhead expenses are driven by the number of employees who would consume such support expenses (like office space and utilities) in the production of maps. These expenses are

accounted for in a methodology acceptable in OMB guidelines and for purposes of valuation have resulted in a total overhead expense of \$87,641.33.



In conclusion, these mapping costs, broken down by category and based largely on *direct expenses* associated with the production of the Minnesota maps provide a reliable means by which to properly recognize the state of Minnesota's investment toward in-kind satisfaction of the SBDD grant's matching requirement.



85 7th Place East, Suite 600
St. Paul, Minnesota 55101-3165

651.296.4026 FAX 651.297.1959 TTY 651.297.3067

August 14, 2009

Mr. Brian Mefford
Chairman & CEO
Connected Nation
444 North Capitol Street, Suite 224
Washington, DC 20001

Dear Mr. Mefford:

This letter is to confirm that from February 17, 2009 through September 1, 2014, the Minnesota Department of Commerce will donate state government employee work time, office space, and data sets to the Minnesota broadband mapping initiative. The total value of our contributed services for the mapping initiative is at a minimum \$1,002,283.

Oversight and Research Support Staff for the Broadband Mapping and Planning Initiative

The State of Minnesota will allocate, at a minimum, 2 full time staff members each spending between 5% and 20% of their work time providing oversight and support to the broadband mapping project, including the mapping planning project.

The cost of this staff work time, including salaries and benefits, will amount to \$32,500 per year for a total of \$176,000 for the full length of the five-year program, which includes a 3.25% cost-of-living adjustment each year.

Office Space for the Broadband Mapping and Planning Initiative

The average work space square footage provided to state personnel in the State of Minnesota is 100 sq. ft. The cost per square foot per year in the building where the Minnesota Department of Commerce is located is \$19.65 through August 31, 2010 and will rise to \$20.24 for September 1, 2010 through August 31, 2011. The State will provide office space at no cost to Connected Nation for 1 employee of the initiative. This amounts to a total annual value of \$1,995, for a total of \$10,091 for the full length of the five-year program.

Data Sets

The State of Minnesota will provide the following sets of data that have been collected and will be updated using state resources to enhance the value and functionality of the broadband maps that will be created:

- Orthimagery (Current/Color)
- Master Address List
- Community Anchor Institutions
- Addressable Street Network

The fair market value of these data sets is approximately \$816,192.

Sincerely,

Glenn Wilson, Commissioner
By Alberto Quintela, Jr. Staff Attorney



MINNESOTA
DEPARTMENT OF
COMMERCE

85 7th Place East, Suite 500
St. Paul, Minnesota 55101-2198
651.296.4026 FAX 651.297.1959 TTY 651.297.3067

November 3, 2009

Mr. Brian Mefford
Chairman & CEO
Connected Nation
444 North Capitol Street, Suite 224
Washington, DC 20001

Dear Mr. Mefford:

The purpose of this letter is to confirm amounts that would be submitted as in-kind contributions for the Minnesota mapping planning project. The Minnesota Ultra High Speed Broadband Task Force (task force) report, which will be released this Friday, November 6, 2009, will serve as a baseline document for the mapping planning project. While many, many hours were spent in sub-group meetings, reading documents, travel time, and drafting various sections of the report, we did not maintain documentation of individual's time. I can verify that the full task force, averaging 20 members in attendance, did meet 11 times since February 17, 2009. The total number of meeting time hours over the course of those 11 meetings was 50 hours. Assuming an hourly rate of \$75 for the task force members, that would equate to an in-kind contribution of \$75,000.

I can also verify that my time spent as staff to the task force since February 17, 2009, at a minimum equaled 181 hours for attending meetings, pre-meeting planning, and preparation of meeting minutes. Again, that time does not include reading, sub-group meetings, drafting and editing the final report. At my hourly wage of \$46.56 and my hourly benefit amount of \$13.04, that equals an in-kind contribution of \$10,787.

If you need additional information, please do not hesitate to contact me via email at diane.wells@state.mn.us or by phone at 651/284-4213.

Sincerely,

Diane Wells
Manager, Telecommunications Division
Minnesota Department of Commerce

Market Assurance: 1.800.657.3602
Energy Information: 1.800.657.3710
www.commerce.state.mn.us

Licensing: 1.800.657.3978
Unclaimed Property: 1.800.925.5668
An Equal Opportunity Employer



WWW.CONNECTEDNATION.ORG

444 NORTH CAPITOL ST
SUITE 324
WASHINGTON, DC 20001
1-877-846-7710

In-Kind Contribution Agreement

██████████ will provide Connected Nation with broadband consultant services at the rate of \$ ██████ per hour consistent with State Broadband Data and Development projects, unless such agreement is earlier terminated by either Party. Additionally, ██████████ recognizes the charitable purposes of the projects in assisting states with economic development and other community development programs and therefore in support of such efforts will donate one hour of broadband consultant services for every hour paid through this partnership agreement.

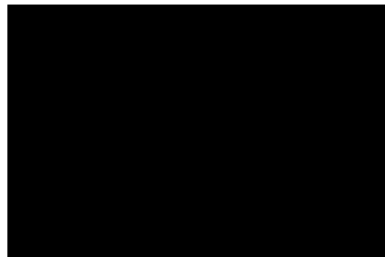
Name of Company

Signature

Printed Name

Title

Email Address



For this commitment, please indicate a company point of contact below:

Contact Name

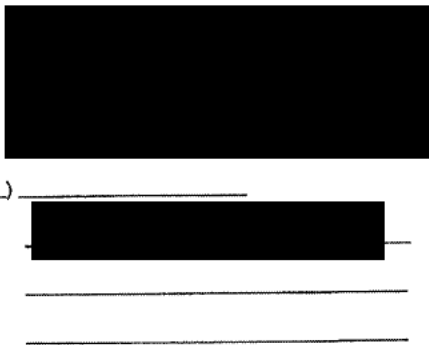
Address

City/State/Zip

Phone ██████ Fax (____) _____

Primary Email address

Other Email addresses
(To receive periodic email)



ENABLING TECHNOLOGY. EMPOWERING PEOPLE.



**CONNECTED
NATION.**

WWW.CONNECTEDNATION.ORG

444 NORTH CAPITOL ST
SUITE 224
WASHINGTON, DC 20001

1-877-846-7710

In-Kind Contribution Agreement

_____ will provide Connected Nation with broadband consultant services at the rate of _____ per hour consistent with State Broadband Data and Development projects, unless such agreement is earlier terminated by either Party. Additionally, _____ recognizes the charitable purposes of the projects in assisting states with economic development and other community development programs and therefore in support of such efforts will donate one hour of broadband consultant services for every hour paid through this partnership agreement.

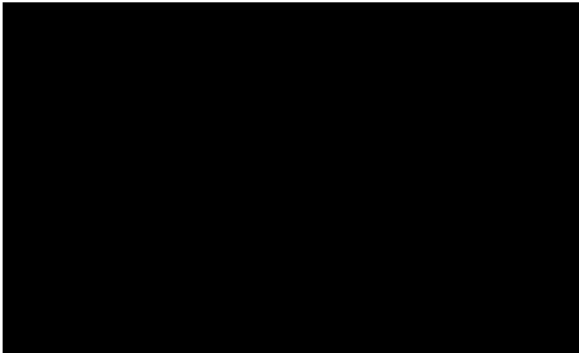
Name of Company

Signature

Printed Name

Title

Email Address



For this commitment, please indicate a company point of contact below:

Contact Name

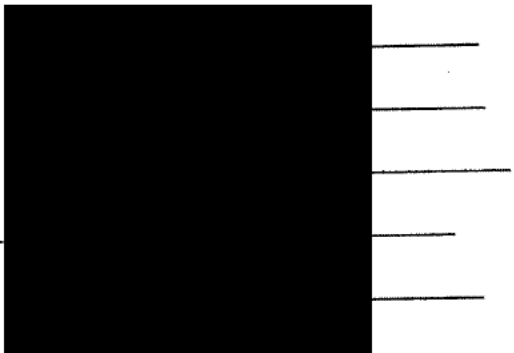
Address

City/State/Zip

Phone

Primary Email address

Other Email addresses
(To receive periodic email)



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**CONNECTED
NATION®**

WWW.CONNECTEDNATION.ORG

444 NORTH CAPITOL ST
SUITE 224
WASHINGTON, DC 20001

1-877-846-7710

In-Kind Contribution Agreement

██████████ will provide Connected Nation with broadband consultant services at the rate of ██████████ per hour consistent with State Broadband Data and Development projects, unless such agreement is earlier terminated by either Party. Additionally, ██████████ recognizes the charitable purposes of the projects in assisting states with economic development and other community development programs and therefore in support of such efforts will donate one hour of broadband consultant services for every hour paid through this partnership agreement.

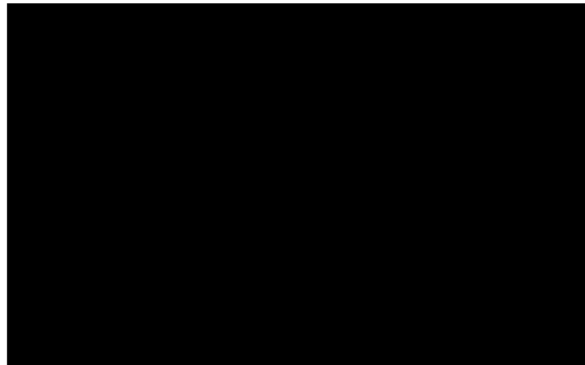
Name of Company

Signature

Printed Name

Title

Email Address



For this commitment, please indicate a company point of contact below:

Contact Name

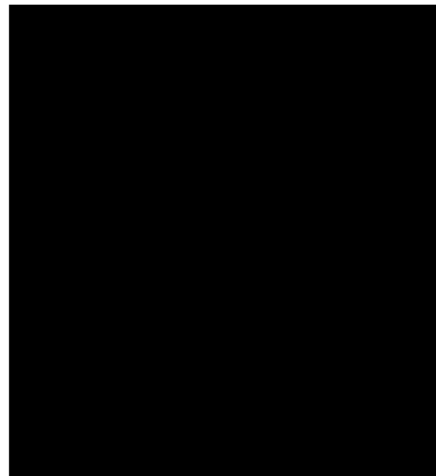
Address


City/State/Zip

Phone





Primary Email address


Other Email addresses
(To receive periodic email)





August 7, 2009

 agrees to provide services to Connected Nation in the form of graphic design, typesetting, pre-publishing, programming and other functions offered by  at a reduced rate of \$ per hour for the term of 1 year.  will also donate one hour of labor for every hour purchased through this partnership agreement. Special projects that require overtime and weekend labor may not be included in this agreement.



MEMORANDUM OF AGREEMENT

This agreement entered into and made effective this the 13th day of August, 2009, by and between the MINNESOTA DEPARTMENT OF COMMERCE ("MDC"), an agency of the ("State of Minnesota,"), and CONNECTED NATION, INC., by and through its wholly-owned subsidiary, CONNECT MINNESOTA, LLC, ("Contractor") is to authorize the Contractor to apply for grant funds and conduct broadband mapping of the State of Minnesota pursuant to the Notice of Funds Availability issued by the National Telecommunications and Information Administration ("NTIA") of the United States Department of Commerce, RIN 0660-ZA29, Catalog of Federal Domestic Assistance Number 11.558 as it may from time to time be amended and revised ("NOFA").

WHEREAS, the Governor of Minnesota has designated Connected Nation, Inc. as Minnesota's eligible entity to prepare a proposal in collaboration with the Minnesota Department of Commerce (MDC), the Department of Employment and Economic Development (DEED), and the Minnesota Geospatial Information Office (MGIO) and receive a grant under Public Law No. 110-385, the Broadband Data Improvement Act of 2008 ("BDIA"), Public Law No. 111-5, the American Recovery and Reinvestment Act of 2009 ("ARRA"), and the NOFA; and,

WHEREAS, Connected Nation has experience mapping broadband availability within Minnesota and has demonstrated its capacity to successfully acquire data from broadband providers needed to meet the requirements of the grant; and,

WHEREAS, the State of Minnesota has extensive experience and capabilities to develop and acquire data for statewide mapping and in implementing statewide interactive mapping applications; and

WHEREAS, Minnesota Statutes (MS 16B.99) designates the Minnesota Geospatial Information Office as responsible for coordinating the planning and implementation of geospatial technology on behalf of the State, including specific responsibility to coordinate and guide the efficient and effective use of available federal, state, local, and public-private resources to develop statewide geospatial information technology, data, and services; and

WHEREAS, the State of Minnesota seeks the assistance of Connected Nation, directed by and through the MDC in collaboration with the Minnesota Department of Employment and Economic Development and the Minnesota Geospatial Information

Office, to map broadband availability in accordance with the NOFA, for the benefit of the citizens of Minnesota;

NOW THEREFORE, in full, complete and sufficient consideration of the terms and conditions contained herein, the Parties agree and contract as follows:

Section 1: Purpose

This agreement shall enable the Contractor to assist the State by applying for grant funds under NTIA's State Broadband Data and Development Grant Program ("Program"), as set out in the NOFA, on behalf of the State of Minnesota. Conditional upon the State's receipt of federal funds from NTIA, the Contractor will further collaborate through the MDC with the Minnesota Geospatial Information Office to collect data required to create a comprehensive and accurate broadband mapping program for the State of Minnesota, which will provide data at the census block level on broadband availability, technology, speed, infrastructure, and, in the case of wireless broadband, the spectrum used, as further enumerated in the NOFA. MDC also anticipates that Contractor will apply for broadband planning funds as a part of this grant application. The Contractor, with guidance from MDC, DEED and the MGIO, will describe such planning purposes in its grant application consistent with those planning purposes enumerated in the NOFA.

Section 2: Term

This agreement shall commence on August 13, 2009 and shall terminate when all acts necessary to accomplish the scope of work set forth in this agreement and any grant award to the Contractor under the NOFA have been completed, unless otherwise specifically terminated as provided herein. Further, the Parties understand that the agreement will be reviewed on an annual basis and modified at any time as agreed upon by both parties. The State may cancel this contract at any time, with cause, upon 30 days' written notice to the Contractor.

Section 3: Incorporation by Reference

Unless otherwise specified in this agreement, the definitions and terms of the NOFA, BDIA, and ARRA are incorporated herein by reference, and shall be utilized in the construction and enforcement of this agreement. All references to data herein include electronic data.

Section 4: Time is of the Essence

Time is of the essence with respect to performance under this agreement. Unless otherwise provided for herein, all deadlines or times for performance set forth herein shall be calculated based on Eastern Standard Time.

Section 5: Consent and Acknowledgement of Authority

The Minnesota Department of Commerce acknowledges that it is authorized to approve or consent to any action or inaction under this agreement on behalf of the State of Minnesota.

Section 6: Grant Application

A. The Contractor will if necessary request an extension of the grant application deadline to September 1, 2009, as provided for by NTIA and will timely present a grant application to the MDC for prior approval and file such application for a grant under the Program NOFA to conduct broadband mapping and planning for the State of Minnesota, in accordance with the NOFA.

B. The Contractor must cooperate fully with the MDC in connection with the preparation and potential filing of the grant application, incorporating any suggestions or revisions received from the MDC into the application in advance of filing up and until the deadlines outlined below.

C. Contractor assumes sole responsibility to actually file the application on the behalf of the State of Minnesota with the MDC, DEED and MGIO providing any required supporting materials to effectuate said application on or before August 13th, 2009 at 5:00 p.m. Contractor will notify the State of such additionally required materials in advance of this date.

D. On or before August 13th, 2009, by 5:00 p.m., the Contractor must provide the MDC a full and complete draft of its proposed grant application to be filed in accordance with the NOFA.

E. On or before August 13th, 2009, by 5:00 p.m., the Contractor must provide the MDC a final version of its grant application that Contractor will file pursuant to the NOFA. The MDC will immediately notify the Contractor of any substantive revisions requested for the grant application. If the MDC does not notify the Contractor of any substantive changes to final version of the grant application on or before 3:00 p.m. on August 14, 2009, the Contractor may proceed to filing the grant application on behalf of the MDC with no further notice or approvals required from the MDC.

F. Notification between the parties shall be considered provided once sent to the parties' designated email address with Microsoft Word documents attached, with Delivery Receipt Requested, and accompanied by a fax sent to the MDC's parties' designated fax numbers listed here:

For State:

Glenn.Wilson@state.mn.us

Fax: 651-282-2568

With copy to Diane Wells, diane.wells@state.mn.us, and Alberto Quintela, Alberto.Quintela@state.mn.us

For Connected Nation:

Brian R. Mefford

[REDACTED]
Fax:

With copy to Tom Ferree, [REDACTED]

G. After filing the grant application, the Parties must notify the other of any requests for clarification, explanation, or supplementation of the application as soon as possible, but in no event later than 5:00 p.m. on the next business day from the receipt of the request. The Contractor and MDC must fully cooperate in connection with any requests for clarification, explanation, or supplementation of the grant application, incorporating any commercially reasonable suggestions or revisions into such clarification, explanation, or supplementation, as the Parties may agree.

H. The Parties will immediately notify each other if the grant application is rejected or if the application is not accepted by NTIA for any reason. To the extent possible, the MDC and Contractor will cooperate in refiling the grant application.

I. The Contractor will promptly notify MDC if a grant application is successful under the Program, not later than 9:00 a.m. on the business day following notification of the grant award.

J. The Contractor and MDC will work together to obtain and/or document the required non-federal matching funds toward the total eligible project cost as required by the NOFA. The Parties understand each will use best efforts to identify and document the match with a priority placed on leveraging existing in-kind resources of the Parties. Nothing in this agreement shall create an obligation on the

part of the Contractor, the MDC and/or the State of Minnesota to directly contribute the required non-federal matching funds toward the total eligible project cost.

Section 7: Scope of Work

A. The Contractor will collaborate with the State to collect data, subject to restrictions outlined in the NoFA regarding Confidential Information, required to create a comprehensive and accurate broadband mapping program for the State of Minnesota, for use by the MDC and NTIA, in accordance with the terms and requirements of the NOFA. Contractor is providing the MDC with subject matter expertise in broadband mapping. Therefore, the Contractor understands and agrees that it will fully work, cooperate, meet, and share non-Confidential Information, progress and results reports with the MDC as part of Contractor's performance under this agreement.

B. The Contractor will protect only Confidential Information in accordance with the terms of the NOFA. Contractor shall be responsible for directly providing all data required in the technical appendix of the NOFA, including Confidential Information, directly to NTIA on the behalf of the State of Minnesota. The State acknowledges that such Confidential Information shall be protected consistent with the NOFA. All data provided to the NTIA and not explicitly excluded by the terms of the NOFA from disclosure as Confidential Information shall be provided to the Minnesota Geospatial Information Office in a form as the Parties shall mutually agree. The Contractor shall not enter non-disclosure agreements that would prevent it from providing non-Confidential Information to the State for use by the State.

C. The Contractor must provide the MDC with all non-Confidential Information on broadband availability in the form of geo-coded shape files inclusive of meta data, excluding Confidential Information, depicting broadband coverage areas at the same level of specificity as defined in the NTIA NOFA.

At a minimum, the data provided must be sufficient for use in producing maps using industry standard GIS software that depict service levels for any census block and that identify the alternative broadband services available at the census block level from a single provider or multiple providers. Printed maps and corresponding soft copy files shall also be provided representing maps substantially similar to those delivered with the shape file outlined above. In addition, Contractor shall provide to the State sufficient coverage data exclusive of Confidential Information and otherwise consistent with the terms of the NoFA which would enable the State to design and create a GIS-based interactive website that may be hosted by the State depicting broadband availability, layered with such other additional data sets as

may be available and desired by the MDC. Notwithstanding the foregoing provision, Contractor will provide to the State a GIS-based interactive website depicting broadband availability at the address level, searchable to reveal broadband providers at a pinpoint address-level, and as may be otherwise layered with such other additional data sets as may be provided by the State.

D. The Contractor must prepare the maps based on each broadband provider's actual data, not estimates, based on the type of facilities or type of technology used by such provider. The mapping process should include quality assurance measures, such as customer surveys and web validation measures consistent with the requirements of the NOFA.

E. In accordance with the terms of the NOFA, the terms of any applicable Grant Agreement with NTIA, and any subsequent interpretations or directives issued by NTIA, the Contractor must provide all required interim 'substantially complete' sets of broadband availability data to NTIA.

F. To maximize the likelihood of receiving the NTIA grant, the Contractor will make a good faith effort to provide a substantially complete set of all broadband mapping data directly to NTIA on or before November 1, 2009 or provide an alternate data set as described in the NOFA. In accordance with the NOFA, unless specifically excused by the written consent of NTIA, the Contractor must provide a substantially complete set of all broadband mapping data directly to NTIA on or before February 1, 2010. Unless specifically excused by the written consent of NTIA, all data collection must be completed by March 1, 2010. The data provided pursuant to this paragraph must be accurate as of June 30, 2009. The Contractor must provide the MDC with a copy of any NTIA consent extending the timeline for performance contemplated under this paragraph.

G. On or before September 4, 2009, the Contractor must submit to the MDC, for their review and approval, a complete work plan for the broadband mapping and planning Program in Minnesota. The work plan must address, at a minimum: identification of and timeline for hiring key personnel and subcontractors for the project, date for initiation of mapping activities, a schedule that prioritizes the collection of broadband mapping data for different geographic areas of the State, date for submission of the first set of substantially complete set of broadband mapping data to NTIA, date for completion of initial mapping activities, date for initiation of broadband planning activities, and date for completion of broadband planning activities. After approval by the MDC, said work plan shall be

incorporated into this agreement as an addendum, and may be relied upon by the MDC in evaluating the Contractor's performance under this agreement.

H. The Contractor will collaborate with the State in performing specific tasks as a subgrantee or subcontractor to meet project needs related to the following tasks, at the discretion of the State and if they are proposed as elements of the work plan funded by the NTIA mapping or planning grants:

1. Develop and maintain residential master address list
2. Inventory and map Community Anchor Institutions and Special Facilities
3. Perform on the ground verification of broadband availability

The following additional tasks may be undertaken upon mutual consent of the Parties:

1. State steward and host for project data.
2. Enhance and Implement address geocoding services.
3. Develop and implement interactive mapping application services.
4. Host interactive web mapping application
5. Develop and host application to support broadband investment planning.

I. In accordance with the NOFA, the Contractor must update all broadband mapping data and provide such updated data directly to NTIA and all such updated non-Confidential Information to the MGIO for the State on a semi-annual basis. The Contractor is required to provide updated information for at least five years after the date of initial collection. The Contractor shall not be relieved of any obligation hereunder by virtue of having contracted for or otherwise delegating responsibility for all or part of this function to a third party.

Section 8: Financial Responsibility and Reporting

A. The Contractor must fully comply with and adhere to all financial standards and reporting requirements set forth in the NOFA, including all federal regulations, circulars, guidelines, and memoranda set forth or referenced in the NOFA. Without limitation, this includes OMB Circular A-122 (Cost Principles for Non-Profit Organizations), OMB Circular A-133 (Audits of States, Local Governments, and Non-Profit Organizations), 2 C.F.R. Part 176, and OMB Memorandum M-09-21 (Implementing Guidance for the Reports on Use of Funds Pursuant to the American Recovery and Reinvestment Act of 2009).

B. Simultaneously upon filing pursuant to the NOFA and OMB guidelines, the Contractor must provide the MDC with copies of all quarterly and final reports required by the NOFA, exclusive of any Confidential Information.

C. The Contractor will cooperate fully with all audits and investigations conducted by NTIA, the United States Office of Inspector General (OIG), or other applicable federal authority.

D. The Contractor will fully comply with and adhere to all financial management standards, including document retention requirements, specified under Minnesota or Federal law, rule, or regulation.

E. The Contractor must immediately notify MDC if it, any officer or director, or any employee with significant involvement with the Minnesota broadband mapping project, is charged with or indicted for a felony or a misdemeanor involving moral turpitude under local or federal law.

F. The Contractor will maintain a financial management system that provides for accurate, current, and complete disclosure of all financial information related to this agreement. The financial management system records will identify adequately the use of any expenditure under this agreement or any grant award and will contain information pertaining to grant awards, authorizations, obligations, unobligated balances, assets, outlays (i.e., expenditures), income, and interest. Fiscal control and accounting procedures will permit the tracing of funds to a level of expenditure adequate to establish that funds have been used in accordance with the requirements of this agreement and any grant award.

Section 9: State of Minnesota Responsibilities

A. Subject to the Contractor's compliance with, and performance under, the terms and conditions of this agreement, the MDC will execute any other subsequent agreements with terms reasonably similar to those outlined in this agreement to enable Contractor to access Program grant funds as outlined in the grant application. Upon the request of the Contractor, subject to MDC's approval, the MDC will provide a letter of support on behalf of Contractor in connection with the Minnesota broadband mapping project.

B. The MDC will monitor the Contractor's performance for compliance with applicable statutes, regulations, guidelines and the NOFA, as well as for effectiveness. Reviews may be conducted as deemed necessary by the MDC to

determine compliance with the NOFA or any grant award, in addition to compliance with applicable statutes, laws, regulations, guidelines, and obligations under this agreement.

C. The MDC will cooperate and support efforts of Contractor to comply with NTIA in all respects of grant administration, including monitoring the performance of the Contractor under this agreement or any sub-grant award, taking any step necessary and proper to assist with such compliance.

D. The State will collaborate with Contractor to establish a project Steering Committee comprised of public officials and telecommunications industry leaders that will meet on a regularly scheduled basis to review work performed under this agreement and evaluate progress.

Section 10: Non-Performance by the Contractor

A. If the Contractor fails to comply, or substantially fails to comply, with any reporting obligation or financial management standard set out in or required by this agreement, the NOFA, or applicable local or federal law, the MDC may immediately terminate this agreement for cause.

B. If the Contractor mismanages or misapplies any grant funds received for the Minnesota broadband mapping project, or engages in any fraud with respect thereto, the MDC may immediately terminate this agreement for cause.

C. If the Contractor fails to perform, or substantially fails to perform, in accordance with industry standards, under this agreement or any grant award, the MDC may immediately terminate this agreement for cause.

D. In the event the MDC terminate this agreement for cause, the Contractor shall, limited by relevant non-disclosure agreements, deliver to, provide, and otherwise turn over documents and/or information: (i) all non-Confidential Information; and (ii) all other documents, information and/or materials collected in connection with the Minnesota broadband mapping and planning project, whether printed, typed, handwritten, or in electronic format.

E. The Parties hereto understand that performance by the Contractor depends, in part, on the cooperation and actions of third parties not bound by this agreement. To the extent performance hereunder by the Contractor is delayed or prevented by failure of any third party to cooperate or provide data or information, delayed

performance or failure to perform by the Contractor will not be considered a breach of this Agreement.

Section 11: Notices Unless otherwise required by a specific provision of this agreement, any notice required or permitted to be given under this agreement shall be in writing and shall be hand-delivered, or sent via United States Postal Service, certified mail, return receipt requested, to the party's address for notice set forth in this paragraph 11 below. Such notice shall be deemed to have been given upon the date same is delivered in person, or on the date said notice is placed in a postage prepaid envelope for delivery by the United States Postal Service, via certified mail, return receipt requested. Addresses for notice are as follows:

Glenn Wilson
Commissioner
MN Dept. of Commerce
85 7th Place East, Ste. 500
St. Paul, MN 55101
Fax: 651-297-1959

Mr. Brian R. Mefford
Chief Executive Officer
Connected Nation, Inc.
1020 College Street
Bowling Green, KY 42101

With a copy to MN Dept. of Commerce
Staff Attorney Alberto Quintela and
Manager of Telecommunications Diane
Wells at the same address.

With a copy to the General Counsel
at the same address.

Section 12: General Terms and Conditions

A. This agreement is executed by the MDC subject to the availability of federal funds and funds appropriated by legislative act for the purposes stated. All amendments and/or extensions or subsequent contracts entered into for the same or continued purposes are executed contingent upon the availability of these funds. Notwithstanding any other provision in this agreement or any other document, this agreement is void if federal funds or appropriated funds become unavailable.

B. **Entire Agreement:** This contract constitutes the entire agreement between the parties. Except as provided herein, this agreement may be extended or otherwise amended only by a formal written amendment properly executed by the parties. No other agreement, written or oral, purporting to alter or amend this agreement shall be valid. The Parties reserve the right to amend this agreement, or the scope of work outlined in this agreement, in order to comport with the terms of any grant awarded to the Contractor pursuant to the NOFA.

C. Each party certifies that the person signing below has the authority to bind said party to the terms of this agreement.

D. The resulting Minnesota geo-reference files, including ESRI shape file format, and related data tables containing attributes of broadband service, the interactive map website created for the Program and the broadband availability map created under the Program, including the geocoded shapefile and all hard copy and soft copy mapping files delivered to the MDC under this or any subsequent sub-grant agreements ("IP") created by the Contractor in connection with this agreement, including its employees, agents, consultants or subcontractors, unless otherwise limited by federal grant agreements or a request for improper disclosure of Confidential Information as proscribed by the NOFA, shall be the property of the State of Minnesota.

The Contractor is hereby granted a world-wide, royalty-free, non-exclusive, irrevocable, perpetual license for use, distribution and modification of IP:

IP shall specifically exclude any materials, works, data, drawings, exhibits, trademarks, or other such inventions and creations subject to intellectual property protection under the federal laws of the United States made or conceived prior to the award of Program funds from NTIA or obtained from third parties via limited use license or non-disclosure agreement. Parties acknowledge that the interactive map and website for the Program and supporting materials therefore rely upon Confidential Information for their functionality and as such are non-transferable and non-assignable and are therefore not included as IP.

E. Confidentiality. The Parties understand the sensitivity and need for confidentiality with respect to the data created and/or gathered pursuant to the terms of this Agreement. Accordingly, subject to the requirements of any sunshine or open records laws, the Parties will hold confidential all drafts, documents or other such information provided to the State and so marked "Confidential". These provisions and obligations shall survive the natural expiration or termination of this Agreement.

F. Headings. The paragraph headings provided in this agreement are for convenience only, and shall not be used in the construction, enforcement, or interpretation of this agreement.

G. Third Party Beneficiaries. There are no third party beneficiaries to this agreement.

H. Insurance. At all times during the performance of this agreement, the Contractor shall maintain commercial liability, automobile liability, professional liability, errors and omissions, worker's compensation, and other forms of insurance, in amounts and in a form, as is commercially reasonable.

I. Force Majeure. The obligations of the Parties to this Contract are subject to prevention by causes beyond the Parties' control that could not be avoided by the exercise of due care including, but not limited to, acts of God, riots, wars, strikes, epidemics, terrorist attacks or any other similar cause.

Accepted and agreed:
Minnesota Department of Commerce

Alberto Quintela Jr.
Alberto Quintela Jr., for Glenn Wilson,
Commissioner
August 13, 2009
(Date)

Connected Nation, Inc.

Brian R. Mefford
Brian R. Mefford, Chief Executive Officer
8/13/9
(Date)

Connect Minnesota, LLC

Brian R. Mefford
Brian R. Mefford, on behalf of sole member,
Connected Nation, Inc.
8/13/9
(Date)