



# SDN COMMUNICATIONS

April 21, 2011

VIA ELECTRONIC MAIL

Barbara Brown  
Program Officer – NTIA  
Room 1234  
1401 Constitution Avenue  
Washington, DC 20230  
bbrown@ntia.doc.gov

RE: Mitchell Technical Institute (MTI) as Sub-recipient  
Project Connect South Dakota – BTOP Award No. NT10BIX5570003

Dear Ms. Brown:

South Dakota Network, LLC (SDN) seeks to add MTI as a first tier sub-recipient to its ARRA BTOP Grant.

SDN was awarded grant NT10BIX5570003 through the Broadband Opportunity Technology Program (BTOP) of the American Recovery and Reinvestment Act (ARRA). The grant application outlined new equipment would be purchased for the Telecommunications and Technology Labs at MTI. MTI meets the criteria to be a sub-recipient because it will be working to accomplish the public purpose authorized by the grant award to train new and existing workforce in the use of the latest telecommunications and broadband equipment technology for employment by telecommunications companies (like SDN, ISPs, and local telephone companies) and broadband consumers such as the CAIs benefitting from access to the enhanced broadband capability as discussed below.

SDN's project provides fiber based connectivity to over 300 new CAIs within South Dakota. These sites are schools and state government office locations that will be connected to the State's broadband network core, health care institutions connected to satellite clinics in rural areas, and financial institutions providing services in remote areas through its branch facilities.

After submitting its ARRA application in the summer of 2009, SDN realized the best and highest use of the new telecommunications and broadband equipment for MTI Telecommunications and Technology Lab would be accomplished if MTI owned and maintained the equipment so that MTI would be responsible for managing all applicable installation, warranty, operational, and service issues.

SDN's selection of MTI as a sub-recipient is sole source. MTI is a South Dakota authorized and funded post-secondary technical institute that to the best of our knowledge operates the only 2-year degree telecommunications and technology workforce training program in South Dakota and the surrounding

area. MTI procurements will be in excess of \$100,000. Competitive selection of a sub-recipient is infeasible as MTI is the only sub-recipient available in this instance.

As a first tier sub-recipient MTI understands that it must comply with all applicable federal and grant specific requirements. It must maintain current registration in CCR (tik041963) and have a DUNS number (b) (4), which it presently has. SDN will provide the necessary ARRA reporting and auditing support.

The estimated cost of the telecommunication and broadband training equipment are estimated to be roughly \$1,000,000 MTI will provide the 20% matching funds in cash equaling an estimated \$200,000 and seek reimbursement through SDN's BTOP grant for the 80% balance estimated to be \$800,000.

Sincerely,



Mark Shlanta  
CEO