Application to DHCD Submitted through CAMS

Southside Planning District Commission

Southside PDC Regional Universal Fiber Broadband Project Phase 4 (2026)

Application ID: 134210282026090412

Application Status: Pending

Program Name: Virginia Telecommunication Initiative 2026

Organization Name: Southside Planning District Commission

Organization Address: 200 South Mecklenburg Avenue
South Hill, VA 23970

Profile Manager Name: Leslie Kubasek

Profile Manager Phone: (434) 447-7101

Profile Manager Email: lkubasek@southsidepdc.org

Project Name: Southside PDC Regional Universal Fiber Broadband Project Phase 4 (2026)

Project Contact Name: Andy Wells

Project Contact Phone: (434) 447-7101

Project Contact Email: awells@southsidepdc.org

Project Location: 200 S MECKLENBURG AVE
SOUTH HILL, VA 23970-2620

Project Service Area: Brunswick County

Total Requested Amount: $10,293,747.00

Required Annual Audit Status: Accepted

Application to DHCD Submitted through CAMS

Southside Planning District Commission

Southside PDC Regional Universal Fiber Broadband Project Phase 4 (2026)

Budget Information:

Cost/Activity Category	DHCD Request	Other Funding	Total
Administration	**$65,000.00**	**$0.00**	**$65,000.00**
Administration	$65,000.00	$0.00	$65,000.00
Construction	**$10,228,747.00**	**$3,409,583.00**	**$13,638,330.00**
Construction	$10,228,747.00	$3,409,583.00	$13,638,330.00
Construction Related Soft Costs	**$0.00**	**$0.00**	**$0.00**
Total:	**$10,293,747.00**	**$3,409,583.00**	**$13,703,330.00**

Budget Narrative:

Questions and Responses:

1. **Cost Efficiency**

   Budget: Applicants must provide a detailed budget that outlines how the grant funds will be utilized, including an itemization of equipment, construction costs, and a justification of proposed expenses. If designating more than one service area in a single application, each service area must have delineated budget information. For wireless projects, please include delineated budget information by each tower. Expenses should be substantiated by clear cost estimates. Include copies of vendor quotes or documented cost estimates supporting the proposed budget. *Label Attachments: Attachment 1 – Derivation of Costs (please use the template provided); Attachment 2 - Documentation of Supporting Cost Estimates.*

Answer:

Attachment 1 - Derivation of Costs is provided in the attachments tab

Attachment 2 - Documentation of Supporting Cost Estimates is provided in the attachments tab. Note that the letter only documents EMPOWER construction costs, and not SPDC admin.

2. The cost benefit index comprises state cost per unit passed. Individual cost benefit scores are calculated and averaged together to create a point scale for a composite score. Provide the following:

   a. Total VATI funding request

   b. Number of serviceable units

Answer:

VATI Construction Funding Request: $10,228,747

VATI Administrative Funding Request: $65,000

Serviceable units: 1,886

3. Matching funds: Complete the funding sources table indicating the cash match and in-kind resources from the applicant, co-applicant, and any other partners investing in the proposed project (VATI funding cannot exceed 80 percent of total project cost). In-kind resources include, but are not limited to grant management, acquisition of rights of way or easements, waiving permit fees, force account labor, etc. Please note that a minimum 20% match is required to be eligible for VATI, the co-applicant must provide 10% of the required match. If the co-applicant cash match is below 10% of total project cost, applicants must provide financial details demonstrating appropriate provider investment. If applicants and co-applicants are seeking to include prior expended funds as matching funds, Attachment 5 must be completed. *Label Attachments: Attachment 3 - Funding Sources Table (please use template provided); Attachment 4 – Documentation of Match Funding; Attachment 5 – Prior Expended Match Form (please use template provided).*

Answer:

Attachment 3 - Funding Sources Table is provided in the Attachments tab. Matching funds will be provided by EMPOWER Broadband ($3,409,583 or 24.88% match)

Attachment 4 - Documentation of Match Funding is provided in the Attachments tab. A letter is provided from EMPOWER stating their intent to provide matching funds.

Attachment 5 - Prior Expended Match Form - Not Applicable, as we are not seeking to include prior expended funds as matching funds.

4. Total Passings: Provide the number of total serviceable units in the project area. For projects with more than one service area, each service area must have delineated passing information. *Label Attachment: Attachment 6 – Passings Form.*

   a. Of the total number of VATI passings, provide the number of residential, business, non-residential, and community anchors in the proposed project area.

   b. If applicable, provide the number of passings that will require special construction costs, defined as a one-time fee above normal service connection fees required to provide broadband access to a premise. Describe the methodology used for these projections.

   c. If applicable, provide the number of passings included in the application that will receive broadband access because special construction costs have been budgeted in the VATI application. Describe the methodology used for determining which passings with special construction costs were budgeted in the application.

   d. Provide the number of passings in the project area that have 25/3 Mbps or less. Describe the methodology used for these projections.

Answer:

a.) VATI passings, categorized by type in the proposed project area:

- 1,532 residential
- 323 business
- 9 non-residential
- 22 unclassified
- 0 community anchors
- 1,886 TOTAL

b.) No passings require special construction costs.

c.) No passings will receive broadband access because of special construction costs.

d.) No count available. See documentation.

Attachment 6 Passings Form is provided in the Attachments tab, and provides more information on the above information.

Attachment 10 Directly Affected Passings (Excel) is provided in the Attachments tab.

5. **For wireless projects only:** Please explain the ownership of the proposed wireless infrastructure. Please describe if the co-applicant will own or lease the radio mast, tower, or other vertical structure onto which the wireless infrastructure will be installed. Also, provide an estimate of the number of simultaneous subscribers that can be served in an area at the chosen speed.

Answer:

Not Applicable - Wired Only

6. Network Design: Provide a description of the network system design used to deliver broadband service from the network's primary internet point(s) of presence to end users, including the network components that already exist and the ones that would be added by the proposed project. Provide a detailed explanation of how this information was determined with sources. Provide information on how capacity for scalability, or expansion, of how the network can adapt to future needs. If using a technology with shared bandwidth, describe how the equipment will handle capacity during peak intervals. **For wireless projects**, provide a propagation map for the proposed project area with a clearly defined legend for scale of map. *Label Map: Attachment 7 – Propagation Map Wireless Project.*

Answer:

Project Overview

The proposed broadband expansion will provide fiber-to-the-premises broadband availability to 1,886 verified eligible locations in northern Brunswick County, Virginia, through approximately 110 route miles of new fiber. The project will extend and interconnect with EMPOWER Broadband's existing network south of Interstate 85. The proposed total budget is $13,703,330, including a $10,228,747 VATI request (construction + SPDC admin) and a $3,409,583 MEC/EMPOWER contribution.

Existing Network and Interconnection

EMPOWER operates an existing Ciena fiber transport and broadband network, including a regional core, transport facilities, upstream internet connectivity, optical access equipment and subscriber service platforms. Project mapping identifies existing fiber south of I-85, with a proposed extension into the northern Brunswick project area. The final interconnection point and I-85 crossing will be verified during detailed engineering.

Proposed Additions

The project will add approximately 110 route miles of road-following distribution and access fiber, splice closures, splitters, fiber distribution cabinets or hubs as engineering requires, optical access capacity, drop facilities, network interface devices, and customer optical network terminals/routers. Final fiber counts, cabinet locations, splitter counts, buried/aerial quantities, and permit locations require detailed engineering.

Customer Delivery and Bandwidth Sharing

The historical EMPOWER design uses Calix GPON fiber-to-the-premises with a preferred 1:32 optical split. GPON shares approximately 2.488 Gbps downstream and 1.244 Gbps upstream per PON port among active subscribers; it is not a dedicated 1 Gbps circuit to each premise. Actual throughput depends on traffic, provisioned tiers, optical split, access-port utilization, and upstream capacity.

Transport Capacity and Scalability

EMPOWER's current network includes two physically provisioned 100 Gbps upstream circuits, with 50 Gbps of purchased internet transit on each circuit (100 Gbps combined purchased capacity), upgradable to 200 Gbps or 400 Gbps as needed. Recently reported peak utilization is approximately 20 Gbps per circuit, or 40 Gbps combined, leaving approximately 60 Gbps of purchased transit headroom at that observed peak. These are network-wide observations. EMPOWER will monitor PON port occupancy, busy-hour utilization, optical signal levels, aggregation links, and upstream transit. Capacity can be increased through additional PON ports, smaller split groups, higher-speed PON electronics where supported, transport upgrades, and increased purchased transit.

7. Speeds: Describe the internet service offerings, including download and upload speeds, to be provided after completion of the proposed project. Detail whether that speed is based on dedicated or shared bandwidth and detail the technology that will be used. This description can be illustrated by a map or schematic diagram, as appropriate. List the co-applicant's tiered price structure for all speed offerings in the proposed project area, including all speed offerings. Please note, DHCD reserves the right to request verified speed tests distributed throughout a service area at times of peak network usage from a co-applicant's existing network to verify a co-applicant's capability to provide broadband service at speeds at or above 100/20 Mbps. Describe the co-applicant's methodologies for conducting speed tests.

Answer:

Technology and Bandwidth Allocation

EMPOWER proposes fiber-to-the-premises (FTTP) using its Calix-based passive optical network (PON). Subscriber access bandwidth is shared across the PON splitter, not dedicated per premises. Each subscribed speed is provisioned individually. EMPOWER's historical preferred GPON split is 1:32; final split ratios and optical electronics are subject to final engineering. EMPOWER manages peak-hour utilization by monitoring network performance and upgrading access and transport capacity as needed.

Residential Plans

- Everyday Online 100/100 $69.95
- Home Office+ 250/250 $89.95
- Stream & Play 500/500 $109.95
- All-In Experience 1000/1000 $129.95

Business Plans

- Small Business 100/100 $89.95
- Medium Business 250/250 $139.95
- Enterprise (Custom speed, custom quote)

All plans have unlimited data, $100 standard installation fee and a 12-month agreement for standard plans; other charges may apply. Residential voice service is advertised at $30 per month per line; business voice at $34.95 per month per line, plus applicable taxes and fees. Service availability is location-dependent. EMPOWER's residential and business services differ primarily in their intended usage patterns, with business customers typically having more consistent daytime activity and higher sustained data usage, while residential usage generally peaks during evening hours.

https://www.empowermec.net/residential/residential-broadband-data-plans/

https://www.empowermec.net/business-2/business-broadband-data-plans/

8. **Project Readiness**

Describe the current state of project development, including but not limited to planning, preliminary engineering, identifying easements/permits, status of MOU or MOA, and final design. Prepare a detailed project timeline or construction schedule, identifying specific tasks, staff, contractor(s) responsible, collection of data, etc., and estimated start and completion dates. Applicants are encouraged to extensively discuss, where applicable, easements relating to railroad crossings, federally owned lands and parks, partnerships with the Virginia Department of Transportation, and mobile home parks. Applicants must include Memorandums of Understanding (MOUs)or Memorandums of Agreement (MOAs) between applicants (drafts are allowable). *Label Attachments: Attachment 8 – Timeline/Project Management Plan; Attachment 9 – MOU/MOA between Applicant/Co-Applicant.*

Please note that applicants are required to complete their network construction within 18 months. Points will be awarded based on the number of months the applicant commits to completing the network build in the specified locality, with shorter timelines receiving higher scores.

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Southside PDC Regional Universal Fiber Broadband Project Phase 4 (2026)

Answer:

Current Development Status

The proposed Broadband expansion will provide fiber-to-the-premises broadband availability to 1,886 verified eligible locations in northern Brunswick County, Virginia, through approximately 110 route miles of new fiber. The project will extend and interconnect with EMPOWER Broadband's existing network south of Interstate 85. The proposed total budget is $13,703,330, including a $10,228,747 VATI request, $65,000 VATI admin request, and a $3,409,583 MEC/EMPOWER contribution. Preliminary route planning and the location count and mileage have been verified for the proposal.

Network Interconnection and Design

The project is intended to connect to existing EMPOWER facilities south of I-85 and cross the interstate at a practical, permitted location. Final feeder point, crossing design, right-of-way permissions, detailed engineering and environmental review remain subject to verification.

Permits, Easements, and Constraints

The engineering team will review VDOT rights-of-way and highway crossing requirements, utility attachments, private easements, railroad crossings, federally controlled property, waterways and wetlands, and mobile-home parks. No specific crossing or permit is represented as approved without documentation. A permit and easement matrix should be maintained by segment.

Delivery and Responsibilities

Southside Planning District Commission: proposed lead applicant, grantee, and grant administration.

EMPOWER/MEC: network engineering, procurement, construction management, technical acceptance and customer activation.

Outside engineering, construction, boring and splicing contractors: to be identified or confirmed in executed agreements.

Project governance and reporting will be documented in the applicant/co-applicant MOU/MOA.

The schedule below is measured from the effective date of the VATI grant agreement. This proposed accelerated plan targets completion of the 110-mile fiber build, service availability to all 1,886 eligible locations, project acceptance, and grant closeout within 18 months. Milestones are planning targets and depend on timely permitting, make-ready, procurement, construction, testing, and grant reporting approvals.

Indicative Schedule - Subject to Award Date

- Months 0–2 Grant agreements; final field engineering; route validation; procurement and permitting submissions.
- Months 2–4 VDOT and utility permits; make-ready coordination, materials procurement, contractor mobilization.
- Months 3-6 Begin backbone and distribution construction; splicing; initial testing and first area releases.
- Months 6–9: Expand construction and commissioning; activate initial serving areas; begin customer installations.
- Months 9-12: Continue mainline and distribution fiber; release additional passings; ongoing drops and activatons.
- Months 12-15: Complete remaining major route construction; optical testing; release most remaining passings.
- Months 15-17: Finish 110-mile build; make all 1,886 locations serviceable; complete corrections and acceptance tests.
- Months 17-18: Final project acceptance; reconcile costs; complete grant reporting and closeout; continue installations as needed.

Cumulative Serviceable Passings - Planning Targets

- Month 6: 150
- Month 9: 500

- Month 12: 1,050
- Month 15: 1,600
- Month 17: 1,886
- Month 18: 1,886

Critical-path assumption: permits, I-85 crossing authorization, utility make-ready, and materials must be available early enough to support overlapping construction and commissioning. Customer subscriptions may continue after grant closeout where permitted; all funded passings are targeted to be serviceable by Month 18.

NOTE: The above schedule and serviceable passings timeline is a best-case, optimistic schedule. While it is feasible, it does not allow for much delay due to permitting or material availability. While all 1,886 locations may be serviceable in 18 months, it will not be likely that many of them will be subscribers at that point.

Attachment 8 Project Timeline is provided in the Attachments tab.

Attachment 9 MOU between Applicant and Co-Applicant (draft) is provided in the Attachments tab.

9. Has the applicant or co-applicant received any VATI grants? If so, provide a list of these grants, with a detailed summary of the status of each.

Answer:

The Southside Planning District Commission and EMPOWER Broadband have partnered on the Southside PDC Regional Universal Fiber Broadband Project:

2022 VATI Grant in partnership with Halifax, Charlotte, Mecklenburg and Brunswick Counties ($69,281,635.37). Began on July 22, 2022 and ended July 22, 2026. Project provided fiber broadband access to 14,100 addresses. The project completed on time, and within budget.

2023 VATI Grant in partnership with Brunswick, Charlotte, Halifax, Greensville, and Mecklenburg Counties ($8,556,028.00). Began on September 26, 2023 and is scheduled to end September 26, 2027. The project will provide fiber broadband access to 4,792 addresses. This project is undergoing construction at this time and proceeding on time.

2024 VATI Grant in partnership with Halifax and Mecklenburg Counties ($6,507,158.00). Began on November 13, 2024 and is scheduled to end June 30, 2027. The project will provide fiber broadband access to 3,693 addresses. This project is proceeding ahead of schedule.

Additionally, EMPOWER Broadband has worked on several other broadband grant projects in the area:

2020 VATI Grant with Halifax County ($2,896,709). This project included 37 miles of fiber, passing 679 locations and has been completed.

2021 VATI Grant with Mecklenburg County ($449,381). This project included 23.5 miles of fiber, passing 2,480 addresses and has been completed.

2021 VATI Grant with Halifax County ($313,629). This project included 26.8 miles of fiber, passing 197 addresses.

2025 BEAD Round 1. ($35,200,000). Environmental phase. Will provide fiber broadband access to 6,512 addresses.

10. Project Management: Identify key individuals who will be responsible for the management of the project and provide a brief description of their role and responsibilities for the project. Present this information in table format. Provide a brief description of the applicant and co-applicant's history and experience with managing grants and constructing broadband communication facilities.

Answer:

The Southside Planning District Commission will be responsible for the management of all grant related projects. Currently, the Southside Planning District Commission (SPDC) is managing two regional VATI projects (2023 and 2024) and is in the closeout phase of the 2022 project. The SPDC has an extensive multi-decade history of administering state, local, and private grant funded projects and is very familiar with the VATI program design as well as requirements set forth by the Virginia Department of Housing and Community Development.

EMPOWER has a long history of implementing broadband access successfully throughout Southside Virginia. EMPOWER is a wholly owned subsidiary of the local electric provider, Mecklenburg Electric Cooperative. Empower was formed to provide Internet access, dating back to its original purchase of a local phone company that had DSL subscribers. EMPOWER has worked on several VATI projects (see #9 above) both with Southside PDC as a partner and on their own with individual Counties. In every case, EMPOWER has delivered on its promises, on time and under budget.

The following individuals are responsible for the management of this project:

- Andy Wells, Executive Director, Southside Planning District Commission - Grant Administrator - Signatory of the VATI contract. Liaison between EMPOWER, VATI, and County Partner. Broad oversight to ensure that the project is implemented pursuant to the terms of VATI Contract and SPDC MOU.
- Donna Wall, Community Project Manager, Southside Planning District Commission - Grant Manager - Review remittances/reports for accuracy and completeness and submit into CAMS. Maintain project files. Organize and facilitate meetings and record minutes. Assist with project close-out reporting.
- David Lipscomb, VP of Member and Energy Services, EMPOWER Broadband - ISP Administrator - Primary EMPOWER contact for SPDC. Oversees project adherence to VATI guidelines. Keep EMPOWER Board abreast of project activities. Liaison between EMPOWER, SPDC, and VATI. Provide all non-financial required project files to SPDC.
- Emily Warren, Manager of Accounting, EMPOWER Broadband - ISP Financial Manager - Monitor and record VATI and non-VATI (Match) expenditures to ensure project remains within budget. Provide all financial documents (invoices, receipts, proof of payment). Monitor overall project budget and present financial report at meetings.
- Dwayne Long, VP of Information Technology, EMPOWER Broadband - ISP Manager - Oversee project implementation and adherence to project timeline. Provide project progress report to PMT at monthly meetings.
- Leslie Weddington (or replacement), County Administrator - County Partner - Attends PMT meetings and ensures that the project is meeting the needs of Brunswick County's citizens. Keeps Brunswick County Board of Supervisors up to date on project activities.

11. Provide a CSV attachment for Directly Affected Project Passings. *Label attachment: Attachment 10 - CSV of Affected Locations.*

Type "N/A" in the narrative response box.

Answer:

Attachment 10 Directly Affected Passings (Excel) is provided in the Attachments tab.

12. Provide any other information that the applicant desires to include. Applicants are limited to four additional attachments. *Label Additional Attachments as: Attachment 11 – XXXXXXX; Attachment 12 – XXXXXXX; Attachment 13 – XXXXXXX.*

Answer:

Attachment 11 - Letter of Support from Brunswick County

A draft letter of support is submitted. Brunswick County has indicated that it will supply a Letter of Support, but it was not ready at time of submission.

Application to DHCD Submitted through CAMS

Southside Planning District Commission

Southside PDC Regional Universal Fiber Broadband Project Phase 4 (2026)

Attachments:

Derivation of Costs Form

Attachment1DerivationofCosts_10292026123830.xlsx

Funding Sources Table

Attachment3FundingSourcesTable_10292026123853.pdf

Documentation of Match Funding

Attachment4DocumentationofMatchFunding2026_10292026120515.pdf

Project Timeline

Attachment8ProjectTimeline18month_1030202615944.pdf

(Optional) - Attachment || Documentation of Supporting Cost Estimate

Attachment2DocumentationofSupportingCostEstimates_10292026121050.pdf

(Optional) - Attachment || Passings Form

Attachment6PassingsForm_1029202621722.pdf

(Optional) - Attachment || Directly Affected Passings

Attachment10DirectlyAffectedPassings_1029202621731.xlsx

(Optional) - Attachment || Letter of Support - Draft, will replace when actual is signed

Attachment11BrunswickLOSDraft_1030202620221.pdf

(Optional) - Attachment || MOU Between SPDC, Brunswick County, and Empower

Attachment9DraftMOU2026_1029202640708.pdf

Notes:

We are requesting a waiver of the $10,000 maximum VATI admin request, as this project is larger than the intended scope of the grant and it is a priority area. We are asking for $65,000. The per-address admin funding for our prior two VATI projects was approximately $47. For this project we are requesting a per-address admin of $34. We will provide a pay-for-performance schedule if/when needed.

Product	2026 modeled total	VATI 2026	EMPOWER 2026	Source / qualification
Underground - Buried Labor	$ 6,166,292.00	$4,624,719.00	$1,541,573.00	Current Construction cost estimate
Splicing Labor	$ 863,248.00	$647,436.00	$215,812.00	Current Construction cost estimate
Patch Panels and Cabinets Labor	$ 7,385.00	$5,539.00	$1,846.00	Current Construction cost estimate
Fiber Material	$ 682,337.00	$511,753.00	$170,584.00	Current Construction cost estimate
Underground Material	$ 1,671,685.00	$1,253,763.00	$417,922.00	Current Construction cost estimate
Closures Material	$ 487,160.00	$365,370.00	$121,790.00	Current Construction cost estimate
Patch Panels and Cabinets Material	$ 83,257.00	$62,443.00	$20,814.00	Current Construction cost estimate
Drop Labor and Material	$ 3,676,966.00	$2,757,724.00	$919,242.00	Current Construction cost estimate
EMPOWER Only Costs	**$ 13,638,330.00**	**$ 10,228,747.00**	**$ 3,409,583.00**	
SPDC Administrative Costs	$ 65,000.00	$65,000.00	$0.00	SPDC
TOTAL	**$ 13,703,330.00**	**$ 10,293,747.00**	**$ 3,409,583.00**	

EMPOWER BROADBAND

HEADQUARTERS
P. O. Box 325
Chase City, VA 23924
Phone: 434-636-2274

BRACEY DISTRICT
P. O. Box 129
Bracey, VA 23919
Phone: 434-636-2274

October 28, 2026

Virginia Department of Housing and Community Development
Office of Broadband
Richmond, Virginia

RE: VATI 2026 –Documentation of Supporting Costs

On behalf of Empower Broadband, I am pleased to provide the basis for the cost estimate associated with the proposed North Brunswick Broadband Expansion submitted in partnership with the Southside Planning District Commission.

Project is designed to extend fiber-to-the-premises (FTTP) broadband service to 1,886 verified eligible locations in Brunswick County, Virginia, through approximately 110 route miles of new fiber infrastructure. The estimated total project investment is $13,638,330, consisting of a $10,228,747 VATI funding request and a $3,409,583 MEC/EMPOWER contribution.

The project budget was developed from the preliminary route design and historical construction experience, with cost components organized by major construction labor and material categories. Our cost model is from actual costs of previous VATI projects and years of experience delivering fiber to Southside Virginia. The accompanying Derivation of Costs allocates the estimate into specific categories.

Final quantities, unit prices and contractor pricing will be refined through detailed engineering and procurement. Historical cost-model documentation supports the methodology. EMPOWER will maintain design, procurement and construction records and provide additional cost substantiation as required.

Sincerely,

Dwayne L. Long

Dwayne L Long

Vice President of Information Technology, Mecklenburg Electric Cooperative
Chief Technology Officer, EMPOWER Broadband

Derivation of Construction Costs

North Brunswick Broadband Expansion | VATI 2026

Prepared as supporting documentation to accompany EMPOWER Broadband's October 28, 2026 letter regarding the basis of the preliminary project cost estimate.

Project overview

Proposed FTTP route	**Approximately 110 route miles**
Eligible passings	1,886
Total preliminary project estimate	$13,638,330

Original derivation of costs

Construction cost category	Estimated amount
Underground – Buried Labor	$6,166,292
Splicing Labor	$863,248
Patch Panels and Cabinets Labor	$7,385
Fiber Material	$682,337
Underground Material	$1,671,685
Closures Material	$487,160
Patch Panels and Cabinets Material	$83,257
Drop Labor and Material	$3,676,966
TOTAL ESTIMATED PROJECT COST	**$13,638,330**

Basis of estimate

The estimate was developed from the preliminary North Brunswick fiber route design and EMPOWER Broadband's actual construction experience on previous rural fiber projects. The approximately 110-mile route and 1,886 eligible passings define the preliminary project scope. The construction estimate is organized into the same labor and material categories used in the original derivation of costs.

The category amounts above are preliminary budget estimates, not current vendor quotations or final measured bid quantities. Detailed construction quantities, unit pricing, and contractor procurement will be refined during final engineering and project implementation.

Source: North Brunswick VATI 2026 submitted Documentation of Supporting Cost spreadsheet and EMPOWER Broadband supporting-cost letter dated October 28, 2026.

NORTH BRUNSWICK | VATI 2026 — CONSTRUCTION COST ESTIMATE

110 route miles • 1,886 passings • original submitted budget retained

Category	Scope / cost basis	Quantity	Unit	Unit cost / equivalent	Extended amount
Underground - Buried Labor	Route-mile cost equivalent	110	route miles	$53,577.50	$5,893,525.00
Splicing Labor	Route-mile cost equivalent	110	route miles	$7,847.71	$863,248.00
Patch Panels and Cabinets Labor	Installations — count pending		installations		$7,385.00
Fiber Material	Route-mile cost equivalent	110	route miles	$6,203.06	$682,337.00
Underground Material	Route-mile cost equivalent	110	route miles	$15,197.14	$1,671,685.00
Closures Material	Closure assemblies — count pending		closures		$487,160.00
Patch Panels and Cabinets Material	Equipment units — count pending		units		$83,257.00
Drop Labor and Material	Per eligible passing equivalent	1886	passings	$1,949.61	$3,676,966.00
Engineering	Design, permitting support, construction engineering		allowance		$272,767.00
TOTAL					**$13,638,330.00**

VATI FUNDING SOURCES TABLE –

Southside PDC Regional Universal Fiber Broadband Project Phase 4 (2026)

Please fill in the chart below with a description of the project funding source (local, federal, state, private, other), the amount from that source, the percentage of total project funding that source represents, and a description of the current status of the funds (pending, secured, etc.).

Source	Amount	Percent	Status
REQUESTED VATI Construction	$10,228,747.00	74.64%	Pending
REQUESTED VATI Admin Funding	$ 65,000.00	0.47%	Pending
MEC/Empower	$ 3,409,583.00	24.88%	Secured
	$		
	$		
	$		
	$		
	$		
TOTAL	$ 13,703,330.00	100%	

EMPOWER BROADBAND

HEADQUARTERS
P. O. Box 325
Chase City, VA

BRACEY DISTRICT
P. O. Box 129
Bracey, VA 23919
Phone: 434-636-

October 28, 2026

Virginia Department of Housing and Community Development
Office of Broadband

RE: VATI 2026 — North Brunswick Broadband Expansion Matching Funds Commitment

To Whom It May Concern:

On behalf of Mecklenburg Electric Cooperative (MEC) and EMPOWER Broadband, I am writing in support of the North Brunswick Broadband Expansion project, submitted in partnership with the Southside Planning District Commission as lead applicant for the Virginia Telecommunications Initiative (VATI) 2026 program.

MEC and EMPOWER Broadband intend to provide $3,409,583 in non-VATI matching funds, representing 25% of the proposed $13,638,330 total project budget. The corresponding VATI funding request is $10,228,747. The project is designed to extend fiber-to-the-premises service to 1,886 verified eligible locations in northern Brunswick County.

The proposed matching contribution will be provided by MEC/EMPOWER. No separate Brunswick County or third-party contribution is included in the current project funding structure. This letter expresses our intended financial participation, subject to applicable internal authorization and final project and grant approvals.

Supporting documentation of available financing and any required governing-body approvals will be provided separately as part of the application documentation.

Sincerely,

Will Garnett
VP of Finance & Accounting

VATI PASSING FORM – TEMPLATE FOR APPLICANTS

Type of Passings	Total Number of Passings in the Project Area [1]	Passings in the Project Area, without Special Construction Costs Required[2]	Passings with Special Construction Costs budgeted in the Application [3]	Number of Passings with Speeds at 25/3 or below in Project Area [4]
Residential	1532	0	0	0
Businesses (non-home based)	323	0	0	0
Businesses (home-based)	0	0	0	0
Community Anchors	0	0	0	0
Non-residential	31	0	0	0
Total	1886	0	0	0

***Note**: The Total Number of Passings **MUST** be equal to the Residential, Business (non-home based), Non-residential and Community Anchors sum.*

[1] The total number of structures in the project area that can receive service. See definition of passing below for more detail.
[2] The number of structures in the project area that will not require special construction costs to provide service to. These passings fall within the broadband provider's standard service connection drop length and do not require nonstandard equipment or any additional fees above normal service connection fees required to provide broadband access to a premise.
[3] The number of structures in the project area with all construction costs budgeted in the application. These passings will not require any additional special construction costs beyond those budgeted for in the VATI application.
[4] The number of structures in the project area that do not have access to internet at speeds of at least 25 mbps download and 3 mbps upload.

Definitions

Passing – any structure that can receive service. Multi-unit structures may be counted as more than 1 passing, provided individual connections and account are planned at that structure.

Business – An organization or entity that provides goods or services in order to generate profit. Businesses based in residential homes can count if they are a registered business (BPOL, LLC, etc.).

Community Anchor - schools, libraries, medical and health care providers, public safety entities, community colleges and other institutions of higher education, and other community support organizations and agencies that provide outreach, access, equipment, and support services to facilitate greater use of broadband service by vulnerable populations, including low-income, unemployed, and the aged.

Non-Residential Passing – places of worship, federal, state, or local facilities or other potential customers that are neither a residence, business or a community anchor as defined above.

09 Attachment 6 Passings Form

North Brunswick Broadband Expansion — October 28, 2026

Project passings

The proposed Project Northstar expansion will provide fiber-to-the-premises broadband availability to 1,886 verified eligible locations in northern Brunswick County, Virginia, through approximately 110 route miles of new fiber. The project will extend and interconnect with EMPOWER Broadband's existing network south of Interstate 85. The proposed total budget is $13,638,330, including a $10,228,747 VATI request and a $3,409,583 MEC/EMPOWER contribution.

a. Classification

- Residential: 1532.
- Business: 323.
- Other non-residential: 9.
- Unclassified: 22.
- Community anchor institutions: 0.

b. Special construction passings

No locations have been specifically identified as requiring above-normal construction costs based on the current preliminary design and available FCC Fabric data.

c. Budgeted special construction passings

No locations have been specifically identified as requiring special construction passing based on the current preliminary design and available FCC Fabric data.

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d. Passings at 25/3 Mbps or less

Count: 0

While the project area has been identified as a priority for broadband expansion, the available data does not conclusively establish the number of locations currently receiving or having access to broadband speeds of 25 Mbps download and 3 Mbps upload or less.

Method: These locations were evaluated using FCC Broadband Serviceable Location Fabric data and available broadband service information.

Verified GIS passings reconciliation — October 2026

The Project GIS shapefile contains 1,886 point records. The accompanying Directly Affected Passings CSV reproduces each location ID, address, coordinates, and source flags.

18-Month Project Timeline

North Brunswick Broadband Expansion • Proposed accelerated schedule

Project schedule baseline

The schedule is measured from the effective date of the VATI grant agreement. This proposed accelerated plan targets completion of the 110-mile fiber build, service availability to all 1,886 eligible locations, project acceptance, and grant closeout within 18 months. Milestones are planning targets and depend on timely permitting, make-ready, procurement, construction, testing, and grant reporting approvals.

Milestones and responsibilities

Period	Key activities / deliverables	Lead
Months 0–2	Grant agreements; final field engineering; route validation; procurement and permitting submissions	SPDC / EMPOWER engineering
Months 2–4	VDOT and utility permits; make-ready coordination; materials procurement; contractor mobilization	EMPOWER / contractors
Months 3–6	Begin backbone and distribution construction; splicing; initial testing and first area releases	Construction / splicing contractors
Months 6–9	Expand construction and commissioning; activate initial serving areas; begin customer installations	Contractors / EMPOWER operations
Months 9–12	Continue mainline and distribution fiber; release additional passings; ongoing drops and activations	Contractors / EMPOWER operations
Months 12–15	Complete remaining major route construction; optical testing; release most remaining passings	Contractors / EMPOWER network operations
Months 15–17	Finish 110-mile build; make all 1,886 locations serviceable; complete corrections and acceptance tests	Contractors / EMPOWER operations
Months 17–18	Final project acceptance; reconcile costs; complete grant reporting and closeout; continue installations as needed	SPDC / EMPOWER

Cumulative serviceable passings — planning targets

Month 6: 150 | Month 9: 500 | Month 12: 1,050 | Month 15: 1,600 | Month 17: 1,886 | Month 18: 1,886

Critical-path assumption: permits, I-85 crossing authorization, utility make-ready, and materials must be available early enough to support overlapping construction and commissioning. Customer subscriptions may continue after grant closeout where permitted; all funded passings are targeted to be serviceable by Month 17.

Planning note: This is a proposed 18-month replacement schedule, not the previously reviewed 36-month submission timeline. Confirm that the proposed closeout and customer-installation treatment meets DHCD/VATI requirements before substituting it into the application.

GRANT AGREEMENT
FIBER TO THE PREMISES BROADBAND SERVICE – SOUTHSIDE PDC / EMPOWER BROADBAND
Draft to be executed upon notice of award.

THIS AGREEMENT ("Agreement") is made and entered as of the TBD DATE, by and between the SOUTHSIDE PLANNING DISTRICT COMMISSION (the "SPDC"), a body corporate and politic of the Commonwealth under the provisions of the Regional Cooperation Act, BRUNSWICK COUNTY, VIRGINIA, a political subdivision of the Commonwealth ("Brunswick County"), and EMPOWER BROADBAND, INC., a Virginia stock corporation and a wholly-owned subsidiary of Mecklenburg Electric Cooperative, a Virginia consumer utility services cooperative ("EMPOWER"), for the purpose of providing grant funding from the Virginia Telecommunications Initiative ("VATI"), the Virginia Department of Housing and Community Development ("DHCD"), to EMPOWER in an effort to expand and improve broadband services to the citizens of the Counties.

The effective date of this Agreement is the date on which DHCD signs the Grant Agreement, as hereinafter defined.

For their Agreement, the Parties state:

Recitals:

WHEREAS, the SPDC has been allocated grant funds from the DHCD VATI Program under its rules and regulations; and

WHEREAS, the SPDC and Brunswick County recognize that in order to attain and maintain a high-quality level of broadband service to the citizens of Southside Virginia, a close working relationship with a private internet provider is desirable and will be made possible in large part through state grant funding opportunities; and

WHEREAS, studies have shown that access to high-quality broadband service stimulates economic activity, creates jobs, promotes industry and trade, increases the values of property, and otherwise serves the lawful purposes of the SPDC and Brunswick County; and

WHEREAS, the SPDC is a political subdivision of the Commonwealth of Virginia, authorized to carry out the purposes provided herein pursuant to the Regional Cooperation Act, Sections 15.2-4200 *et seq.* of the Code of Virginia, 1950, as amended, and the Counties are political subdivisions of the Commonwealth of Virginia, created by the General Assembly with all powers granted to political subdivisions operating under the traditional county form of

government; and

WHEREAS, EMPOWER is a Virginia stock corporation, with the technical and financial capability to provide telecommunications and information services, including broadband fiber to the home; and

WHEREAS, EMPOWER is a wholly-owned subsidiary of Mecklenburg Electric Cooperative which is also the sole shareholder of EMPOWER Telecom, Inc.; and

WHEREAS, EMPOWER and its Affiliates have issued, or will issue, a request for proposals ("RFP") from construction contractors to construct the Project; and

WHEREAS, the SPDC wishes to make available funds to EMPOWER, for the purposes of supporting EMPOWER's commitment to carry out the Project in Brunswick County, increasing jobs and employment, enhancing learning opportunities for students, and otherwise expanding the tax base of the County. This Agreement sets forth the terms and conditions of this grant, in accordance with the Rule, as amended.

Witnesseth:

NOW THEREFORE, in consideration of the foregoing premises, the mutual benefits, promises, and undertakings of the Parties to this Agreement as set forth below, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties covenant and agree as follows:

I. Definitions and Incorporations by Reference.

1.1. For the purposes of this Agreement, the following terms have the following meanings, unless context or the manifest purpose of this Agreement indicate otherwise:

Affiliates means, with respect to EMPOWER, Mecklenburg Electric Cooperative and EMPOWER Telecom, Inc.

Capital Investment means a capital expenditure by EMPOWER and its Affiliates or by a third party with a contract with EMPOWER to carry out work related to the Project as set out in the Grant Agreement. The total expected Capital Investment by EMPOWER is not less than $3,409,583.00,

Change Order means an agreed change to the scope, schedule, or price of the work on the Project. All change orders must be memorialized by a writing signed by an authorized representative of the person or party to be charged thereon.

Commonwealth means the Commonwealth of Virginia.

Contract Period Performance Date means the deadline for Project completion as required in the Grant Agreement, as may be extended pursuant to the Grant Agreement, the VATI Program, or as may otherwise be provided by law.

County Contribution has the meaning given to it in Section 2.3.

Grant or *Grant Funds* means the $10,293,747 in funds, both for network construction and project management, that DHCD will make available to the SPDC for a grant to EMPOWER to carry out the Project.

Project means that broadband expansion project generally described in **Exhibit A**. For the removal of ambiguity, it is expressly agreed by the Parties that EMPOWER, its Affiliates, and Dominion Energy will be the ultimate owner of the infrastructure constructed in the Project.

RFP means the request for proposals from construction contractors to construct the Project.

Targets means EMPOWER's commitment pursuant to this Agreement to make or cause to be made Capital Investments in the Project of at least $3,409,583.00 as of the Contract Period Performance Date. EMPOWER shall also, as of the Contract Period Performance Date, provide documentation to the SPDC and the Counties of (1) the number of takes and the take rate for the Project; and (2) the speeds achieved by the Project. The Project must have available to customers wireline internet meeting or exceeding 100/20 megabit per second scalable to 100/100 service.

Uniform Guidance means the Uniform Guidance for Grants and Agreements, 2 C.F.R. Part 200.

1.2. The following documents are incorporated by reference, and the requirements thereof are hereby adopted and reimposed on the Parties:

Grant Application means the *Application to DHCD Submitted Through CAMS: Southside Planning District Commission's Regional Universal Broadband Project Phase 4 (2026).*

Grant Agreement means the agreement between the Virginia Department of Housing and Community Development and the SPDC, dated as of **[fill in date agreement is entered]**, for the Project, with DHCD Grant No. VATISF #TBD, a copy of which is attached hereto as **Exhibit D**.

Project Management Plan means the Project Management Plan, Department of Housing and Community Development Virginia Telecommunications Initiative, VATISF

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#TBD, dated as of TBD DATE, as amended, a copy of which is attached hereto as **Exhibit E**.

In the event of a conflict among the requirements of the documents incorporated herein by this Section and this Agreement, the provisions of this Agreement, as amended, shall apply.

II. Targets & County Contributions.

2.1. EMPOWER and its Affiliates will construct or cause to be constructed and operate the Project in the Counties and make the Capital Investment by the Contract Period Performance Date. The initial construction of the Project must be complete by the Contract Period Performance Date. EMPOWER must diligently use its commercially reasonable best efforts for community outreach and marketing the services at strategically appropriate times, before and following the Contract Period Performance Date. The SPDC and Brunswick County will make reasonable efforts, consistent with all provisions of law, to assist EMPOWER in meeting these goals. The Parties understand, however, that the number of customers who choose to subscribe is beyond the Parties' control and is expressly not an item of consideration for this Grant.

2.2. Brunswick County will not be making any matching Contributions to the Grant Funds.

2.3. Grant disbursements shall be made monthly within 30 days of submission by EMPOWER to the SPDC of detailed invoices verifying expenditure of funds and delivery of goods, services, or construction work in furtherance of the Project. In the event of a dispute concerning any portion of an invoice, timely disbursement shall be made for the undisputed portion of such invoice. Without a Change Order, the total amount of all Grant Funds disbursed shall be not more than $3,409,583.00.

2.4. Monthly reporting and totals of Grant Funds shall be as set forth in the Grant Agreement.

2.5. The Parties will schedule monthly project management team meetings to discuss, without limitation, payment, progress of the Project, or relations with EMPOWER's contractor(s) and contractor's(s') management of its/their subcontractors. Such meetings shall be at a mutually convenient time and may be held by electronic means or teleconference. Such meetings may be canceled by mutual agreement if there is insufficient information to merit a meeting.

2.6. In the event the Grants are not made due to an event of non-appropriation or otherwise, EMPOWER's obligations for performance under this Agreement shall be void and of no force and effect.

III. Application of Grant Funds & Reporting.

3.1. EMPOWER agrees to apply the Grant Funds solely and exclusively to the payment, or reimbursement for the payment, of work on the Project. EMPOWER further agrees to provide such receipts, vouchers, statements, bills of sale, or other evidence of the actual payment of the same on a monthly or quarterly basis as are required by the Grant Agreement.

3.2. EMPOWER is responsible for compliance with the applicable provisions of federal,

state, and local labor relations guidelines and requirements applicable under the Rule. The Rule suggests compliance with prevailing wage requirements or use of project labor agreements as ways of complying with the requirements of the Rule; however, the manner of compliance is in the discretion of EMPOWER. EMPOWER shall be solely responsible for compliance and certification thereof as provided in the Rule. If EMPOWER chooses to meet its requirements by meeting prevailing wage requirements, it shall use the wage scales provided by the U.S. Department of the Treasury for highway construction trades applicable in the Counties unless otherwise provided by law. Unless otherwise required by the Rule, reporting of labor need not be made to the U.S. Department of Labor or the Virginia Commissioner of Labor of Industry; *provided*, however, that accurate records of wages and benefits must be kept so as to enable the SPDC and the Counties to audit compliance as provided in Section 5.1.

3.3. As more particularly described in the RFP, each construction contractor employed in the accomplishment of any of the Project shall be required in the construction contract to furnish a performance bond and a payment bond. Each contractor shall be required to maintain during the construction period covered by the particular construction contract builder's risk insurance, workers' compensation insurance, public liability insurance, property damage insurance, and vehicle liability insurance in accordance with EMPOWER's policies and procedures set forth in the RFP. SPDC and Brunswick County find that this requirement adequately protects the federal interest in the Grant Funds.

3.4. Retainage shall be as set forth in the Grant Agreement.

3.5. EMPOWER shall provide monthly progress reports as set forth in the Grant Agreement. For the purposes of verifying the accuracy of reports, and for no other purpose, EMPOWER hereby waives its protections under Section 58.1-3 of the Code of Virginia, 1950, as amended, and authorizes the Commissioners of the Revenue for each County to provide verification to the SPDC and the Counties from their records; provided, however, that such disclosure shall not waive the protections of Section 58.1-3 as to any other person, nor authorize the SPDC and the Counties to disclose such information to any other person other than DHCD, the Virginia Department of Accounts, the U.S. Department of the Treasury, and other agencies authorized by law to audit or inspect the Project. Further, EMPOWER grants the SPDC and Brunswick County the right to inspect any site at which work on the Project is or has been carried out or where materials are or have been stored during the term of this Agreement in order to verify work for which an invoice has been submitted.

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3.6. EMPOWER may apply for a Change Order at any time. A Change Order shall become effective upon its approval by the SPDC, Brunswick County, and DHCD; but Brunswick County will not be required to approve any change order, and Brunswick County will not have any liability by reason of its failure to approve a change order.

3.7. DHCD, in furtherance of the VATI grant, in furtherance of the obligations imposed on them by the Rule and the Uniform Guidance, are expected to conduct Compliance Reviews. EMPOWER must make all records available upon their request.

3.8. If the sum of the Grant Funds and the EMPOWER match are insufficient cost of the total of all the Project, or regulatory burdens materially increase costs, SPDC will facilitate discussions with Brunswick County, DHCD, and EMPOWER to determine the best course of action, including but not limited to seeking additional grant or loan funds, value engineering, changes to the scope of the Project, or extension of timelines, which additional costs or time shall be subject to an equitable change order or a claim as provided in Section 5.5.

IV. Representations of EMPOWER.

4.1. EMPOWER has familiarized itself with the nature and extent of this Agreement and with all local conditions and state, federal, and local laws, ordinances, rules, and regulations, including but not limited to the rules and regulations of the VATI program, the Rule, and the Uniform Guidance.

4.2. EMPOWER shall maintain a financial management system and financial records and shall use funds received pursuant to this Agreement in accordance with this Agreement and all applicable laws. EMPOWER shall maintain detailed, itemized documentation and records of all income received and expenses incurred pursuant to this Agreement.

4.3. Any item of expenditure by EMPOWER under the terms of this Agreement which is determined by auditors, investigators, and other authorized representatives of SPDC, the SPDC's Independent Auditor, the U.S. Government Accountability Office or the Comptroller General of the United States, or DHCD or the Virginia Auditor of Public Accounts, or other authorized governmental authority to be improper, unallowable, in violation of federal or state law or the terms of this Agreement, or involving any fraudulent, deceptive, or misleading representations or activities of EMPOWER, must be repaid to SPDC by EMPOWER within 30 days after notification of a final non-appealable determination from funds other than those provided by SPDC under this Agreement or any other agreements between EMPOWER and the SPDC. This provision shall survive the expiration or termination of this Agreement and is intended to be congruent with the repayment provisions of the Grant Agreement.

4.4. EMPOWER's obligations to the SPDC and Brunswick County under this Agreement shall not terminate until all closeout requirements are completed to the satisfaction of the SPDC. Such requirements shall include, without limitation, submitting final reports to the SPDC and providing any closeout-related information requested by SPDC by the deadlines specified by the SPDC.

4.5. EMPOWER shall provide SPDC and Brunswick County with broadband service and

coverage data and information ("Service Territory Data") in the time and formats established by DHCD in its Internet Service Provider Territory Data Submission Guidelines ("Data Submission Guidelines") pursuant to Section P of Item 114 of Chapter 552, 2021 Acts of Assembly, 2021 Special Session I (the "Budget Amendment"). Service Territory Data shall be submitted to SPDC and Brunswick County simultaneously with its being provided to the Commonwealth of Virginia as required by DHCD.

V. Miscellaneous.

5.1. Audits. EMPOWER must allow the SPDC, its auditors, and other persons authorized by them to inspect and copy its books and records upon reasonable notice during regular business hours for the purpose of verifying that monies provided to EMPOWER pursuant to this Agreement were used in compliance with this Agreement and all applicable provisions of federal, state, and local law. EMPOWER will retain all such records for not less than five years after the Contract Period Performance Date.

5.2. Permits and Compliance With Laws. EMPOWER will obtain or cause to be obtained, in a timely manner, all required permits, licenses, and approvals, and will meet all requirements of all local, state, and federal laws, rules and regulations which must be obtained or met in connection with construction of the Project.

5.3. Relationship of the Parties. Nothing contained in this Agreement shall be construed as creating any agency, partnership, joint venture, or other form of joint enterprise, employment, or fiduciary relationship between the Parties. Neither the SPDC and Brunswick County, for their part, nor EMPOWER, shall have any right, power, or authority to act or create any obligation, express or implied, on behalf of the other Party.

5.4. Default and Termination. In general, defaults or potential defaults shall be discussed and informally resolved at monthly progress meetings. In the event of a default of a material term of this Agreement that has not been able to be so resolved following discussion at one or more progress meetings, upon an event of non-appropriation (either by the Commonwealth or Brunswick County), or the bankruptcy, insolvency, a general assignment for the benefit of creditors, or similar action by a Party, the non-defaulting Party shall give prompt written notice to the chief administrator of the defaulting Party at that person's principal office. The non-defaulting party shall take prompt, reasonable steps to remedy any such default. In the event the defaulting party has not taken prompt, reasonable steps to remedy such default within 30 days, or, if the default is the result of an event of non-appropriation or petition for bankruptcy, has not identified reasonably satisfactory alternative sources of funds, or voluntarily dismissed or vigorously controverted such petition, then the non-defaulting party may take any other action to protect its interests as it deems appropriate, including seeking remedies at law or in equity.

5.5. Limitation on Damages; Time for Asserting Claim.

5.5.1. The Parties hereby expressly waive any right to claim or recover consequential, special, punitive, lost business opportunity, lost productivity, field office overhead, general conditions costs, or lost profits damages of any nature or kind.

5.5.2. Prior to asserting any claim for damages of any kind or nature, EMPOWER

must first provide the SPDC with written notice of its claim, the facts and circumstances surrounding and giving rise to the claim, and the total amount of damages sought by the claim. EMPOWER will exert its commercially reasonable best efforts to provide such notice within ninety (90) calendar days of its becoming aware of the facts and circumstances giving rise to the claim.

5.6. Dispute Resolution.

5.6.1. Any claim, controversy, or dispute between the parties, their agents, employees, or representatives shall be resolved first by negotiation between authorized personnel from each party duly authorized to execute settlement agreements. Upon mutual agreement of the parties, the parties may invite an independent, disinterested mediator to assist in the negotiated settlement discussions.

5.6.2. If the parties are unable to resolve the dispute within thirty (30) days from the date the dispute was first raised, then such dispute may only be resolved in a court of competent jurisdiction in compliance with the Choice of Law provisions of this Agreement.

5.7. EMPOWER shall secure insurance coverage through an insurance company or companies duly licensed and authorized to conduct insurance business in Virginia which insures the liabilities and obligations specifically assumed by EMPOWER in this Section.

EMPOWER shall furnish to the SPDC an accompanying certificate of insurance and accompanying endorsements in amounts not less than as follows:

- Employers Liability Limits
    - Workers Compensation: Statutory
    - Bodily Injury by Accident: $2,000,000
    - Bodily Injury by Disease: $2,000,000 policy limit
- General Liability: $2,000,000 per occurrence

The obligations of this Section shall survive termination of this Agreement.

5.8. Force Majeure. Neither SPDC and Brunswick County, for their part, nor EMPOWER, shall be liable or responsible to the other party, or be deemed to have defaulted or breached this Agreement, for any failure or delay in fulfilling or performing any term of this Agreement (except for any obligations to make payments to another party hereunder), when and to the extent that such failure or delay is caused by or results from acts beyond the impacted party's ("Impacted Party") control, including, without limitation, the following force majeure events ("Force Majeure Events"): (a) acts of God; (b) flood, fire, earthquake, winter storm, hurricane, or explosion; (c) war, invasion, hostilities (whether war is declared or not), terrorist threats or acts, riot, or other civil unrest; (d) government order, law, or actions; (e) embargoes or blockades in effect on or after the date of this Agreement; (f) national or regional emergency; (g) strikes, labor stoppages or slowdowns, or other industrial disturbances; (h) telecommunications breakdowns, power outages

or shortages, lack of warehouse or storage space, inadequate transportation services, or inability or delay in obtaining supplies of adequate or suitable materials; and (i) other events beyond the control of the Impacted Party. An Impacted Party shall be entitled to an equitable change order, subject to final approval by DHCD, in the event of a Force Majeure Event.

If a party's performance of any part of this Agreement is prevented, hindered, or delayed due to a Force Majeure Event, then that party must give the other party, within ten (10) days after such cause begins, written notice including a statement of the facts forming the basis for claiming the Force Majeure Event; and when the cause ends, the excused party shall, within ten (10) days, notify the other.

5.9. Attorney's Fees and Costs. In the event it becomes necessary for a party to this Agreement to retain an attorney to enforce any of the terms or conditions of this Agreement or to give any notice required herein, then all parties shall bear their own costs and the American Rule shall apply. In the event the SPDC sues or is sued by EMPOWER in relation to this Agreement, Brunswick County agrees to pay its reasonable attorney's fees and costs related to such litigation to the extent such payment cannot be made out of the Grant Funds.

5.10. Subject to Appropriation. The obligations of the SPDC under this Agreement, and the obligations of the SPDC relating to passing through VATI grant funds, are not general obligations of the SPDC but are limited obligations payable solely from revenues and receipts derived by the SPDC from the Commonwealth under the VATI grant. The obligations of the SPDC hereunder shall not be deemed to constitute a debt or pledge of the faith and credit of the Commonwealth of Virginia or any political subdivision thereof, including the SPDC.

5.11. Integration and Modification. This document, including the exhibits hereto and documents incorporated herein, contains the entire agreement between the parties and no statements, promises or inducements made by either party or agents of either party not contained in this written Agreement may be considered valid or binding. This Agreement may not be modified except by written agreement signed by all parties.

5.12. No Assignment. EMPOWER may not assign its rights, including the right to Grant payments, or any other rights or duties arising hereunder, without the prior written consent of the SPDC and the Counties.

5.13. No Third-Party Beneficiary. The terms and provisions of this Agreement are

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intended solely for the benefit of each party and their respective successors and assigns. It is not the parties' intent to confer third-party beneficiary rights upon any other person or entity.

5.14. Choice of Law. This Agreement shall be governed and construed in accordance with the laws of the Commonwealth of Virginia without regard to conflict of law provisions. The Parties agree to submit to the exclusive jurisdiction of the Circuit Courts of Mecklenburg County, or Brunswick County.

5.15. Non-Waiver. Failure to insist on strict compliance with any of the terms or conditions of this Agreement shall not be construed to be a waiver thereof and does not limit another party's right to enforce such term or conditions or to pursue any available legal or equitable rights in the event of any subsequent default or breach.

5.16. Severability. If any portion of this Agreement is held to be void or unenforceable, the balance of the Agreement shall continue in effect.

5.17. Counterparts. This Agreement may be executed in any number of counterpart copies, each of which when executed and delivered shall be deemed to be an original and all of which counterparts when taken together shall constitute a single instrument. Facsimile, electronic, or scanned signatures shall be binding as originals in accordance with the Virginia Uniform Electronic Transactions Act, Va. Code §§ 59.1-479, *et seq.*

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day, month, and year first stated in this Agreement:

Signatures on following pages

_____ By: _____

Date

Andy Wells
Executive Director, SPDC

_____ By: _____

Date

Casey Logan
President and CEO, EMPOWER

_____ By: _____

Date

Leslie Weddington
Brunswick County Administrator

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Exhibit A

Specifications & Schedule

The specifications and schedule are as set forth in the Project Management Plan.

Exhibit B

Required Certifications and Disclosures

Certification of Eligibility & Non-Collusion Statement

My signature below certifies that this contract is not the result of, or affected by, any unlawful act of collusion with another person or company engaged in the same line of business or commerce, or any act of fraud punishable under the Virginia Governmental Frauds Act (§§ 18.2-498.1, *et seq.* of the Code of Virginia, 1950, as amended) or the False Claims Act (31 U.S.C. § 3729). I also understand and agree to comply with the provisions of the Virginia Conflict of Interests Act (§§ 2.2-3100, *et seq.*) and the provisions of the Virginia Public Procurement Act relating to Ethics in Public Contracting (§§ 2.2-4367, *et seq.*). Furthermore, I understand that fraud and unlawful collusion are crimes under the Virginia Governmental Frauds Act and the False Claims Act, as well as laws against bid rigging (§§ 59.1-68.6, *et seq.*), the Virginia Antitrust Act (§§ 59.1-9.1, *et seq.*), and Federal laws regarding the same matters. They can result in fines, prison sentences, and civil damages awards.

Furthermore, I hereby certify that (i) all information submitted to SPDC, Brunswick County and DHCD in connection with this Agreement or the application for funds to fund this Agreement and/or in connection with any contract or agreement that may arise in the future from such application are true and accurate in all material respects, (ii) no principal, shareholder, director, officer, member, manager or other employee of EMPOWER with managerial control or responsibility over EMPOWER or over any significant aspect of its operations in the Commonwealth were employed (a) by DHCD and involved in the evaluation and scoring of applications received for consideration of award within one year prior to the date of the announcement of the project awards, or (ii) by the Governor's administration during a period of two years prior to the date of execution of this Agreement.

I further certify that my firm is not a debarred entity under the System for Award Management (SAM) or by any agency or political subdivision of the Commonwealth of Virginia.

Name of Firm or Individual: _____

Address: _____

_____

Signature: _____

Name (type/print): _____

Title: _____

Telephone: _____ Email: _____

FEIN: _____ Date: _____

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Lobbyist Disclosure

The undersigned certifies, to the best of his or her knowledge or belief, that:

1. No federally appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the award of any federal contract, the making of any federal grant, the making of any federal loan, the modification of any federal contract, the entering of any cooperative agreement, or the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.

2. If any funds other than federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the federal contract, grant, loan, or cooperative agreement, the undersigned must complete and submit Standard Form LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.

3. The undersigned shall require that the language of this certification be included in the award documents for all subawards of all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly. The certification is a material representation of the fact on which reliance was placed is a prerequisite for making or entering into the transaction imposed by 31 U.S.C. § 1352. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

The undersigned shall require that the language of this certification is included in the award documents for all subawards of all tiers (including subgrants, contracts under grants, cooperative agreements, and subcontracts) and that all subrecipients shall certify and disclose accordingly.

_____
Organization

_____ _____
Name of Representative Title of Representative

_____
Signature of Representativ

Exhibit C

American Rescue Plan Act Funds Special Terms and Conditions

A. Nondiscrimination. In performing this contract, the Contractor shall not exclude any person from participating in, deny them a benefit of, or discriminate against them because of race, color, religion, national origin, sex, disability, or age. *See* 42 U.S.C. §§ 3601, *et seq.*; 42 U.S.C. §§ 6101, *et seq.*; 29 U.S.C. § 794; 42 U.S.C. § 12132; and 49 U.S.C. § 5332. The Contractor also agrees that it will not discriminate against any employee or applicant for employment because of race, color, religion, national origin, sex, disability, or age. *See* 29 U.S.C. § 623; 42 U.S.C. § 12101. In addition, the Contractor agrees to comply with applicable federal implementing regulations regarding the subject matter of this clause.

B. Recycled Products. The Contractor shall comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 C.F.R. Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds $10,000 or the value of the quantity acquired during the preceding fiscal year exceeded $10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

C. Clean Air Act (42 U.S.C. §§ 7401–7671q) and the Federal Water Pollution Control Act (33 U.S.C. §§ 1251–1387), as amended. Contractor agrees to comply with all applicable standards, orders, or regulations issued pursuant to the Clean Air Act (42 U.S.C. §§ 7401–7671q) and the Federal Water Pollution Control Act, as amended (33 U.S.C. §§ 1251–1387). Violations of these standards by the Contractor shall be reported to the U.S. Department of the Treasury and the Regional Office of the Environmental Protection Agency (EPA).

D. Prohibition on Certain Telecommunications and Video Surveillance Services or Equipment. Contractor certifies that it will not use equipment, services, or systems produced by Huawei Technologies Company, ZTE Corporation, Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company, or any subsidiary or affiliate of such entities.

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Exhibit D

DHCD Grant Agreement

Exhibit E

Project Management Plan

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Exhibit F

Funding Sources Table

(Date)

Chandler Vaughan
Director, Office of Broadband
Virginia Department of Housing and Community Development
VATI Program
600 East Main Street, Suite 300
Richmond, Virginia 23219

RE: Letter of Support

Dear Mr. Vaughan:

Brunswick County is participating in the 2026 VATI application process this year in collaboration with the Southside Planning District Commission and EMPOWER Broadband. This project will provide reliable, high-speed fiber broadband infrastructure to a portion of our County that was unfortunately affected by the recent issues with RiverStreet. This project will deliver broadband access to 1,886 addresses in the northern section of Brunswick County.

If funded, this grant will position EMPOWER Broadband to apply for BEAD Round 2, which will serve the remainder of Brunswick County. The conclusion of this VATI 2026 round of funding and subsequent BEAD Round 2 project will essentially bring to a close the Southside PDC Regional Universal Fiber Broadband Project. That initiative, along with additional EMPOWER grant projects, will have seen over 40,000 addresses become eligible for fiber broadband access in rural Southside Virginia.

It is difficult to put into words the impact that this broadband access has on our economy, the education of our youth, and our quality of life. Brunswick County fully supports this grant application.

Thank you for your consideration and please let me know if you require additional documentation or have questions regarding our County's participation.

Sincerely,

Leslie R. Weddington
Interim County Administrator