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**LEVEL 3 EON, LLC**

**BUDGET INFORMATION - Construction Programs**

*NOTE: Certain Federal assistance programs require additional computations to arrive at the Federal share of project costs eligible for participation. If such is the case, you will be notified.*

<b>COST CLASSIFICATION</b>	<b>a. Total Cost</b>	<b>b. Matching Funds (Cash)</b>	<b>c. Matching Funds (In-Kind)</b>	<b>d. Federal Funding Request (Columns a-b-c)</b>
1. Administrative and legal expenses	\$80,000	\$20,000	\$0	<b>\$60,000</b>
2. Land, structures, rights-of-way, appraisals, etc.	\$10,800	\$2,700	\$0	<b>\$8,100</b>
3. Relocation expenses and payments	\$0	\$0	\$0	<b>\$0</b>
4. Architectural and engineering fees	\$2,500	\$625	\$0	<b>\$1,875</b>
5. Other architectural and engineering fees	\$0	\$0	\$0	<b>\$0</b>
6. Project inspection fees	\$0	\$0	\$0	<b>\$0</b>
7. Site work	\$45,000	\$11,250	\$0	<b>\$33,750</b>
8. Demolition and removal	\$0	\$0	\$0	<b>\$0</b>
9. Construction	\$169,600	\$42,400	\$0	<b>\$127,200</b>
10. Equipment	\$1,419,750	\$354,938	\$0	<b>\$1,064,812</b>
11. Miscellaneous	\$0	\$0	\$0	<b>\$0</b>
12. SUBTOTAL (add #1 through #11)	\$1,727,650	\$431,913	\$0	<b>\$1,295,737</b>
13. Contingencies	\$0	\$0	\$0	<b>\$0</b>
14. SUBTOTAL (add #12 and #13)	\$1,727,650	\$431,913	\$0	<b>\$1,295,737</b>
15. Project (program) income	\$0	\$0	\$0	<b>\$0</b>
<b>16. TOTAL PROJECT COSTS (subtract #15 from #14)</b>	<b>\$1,727,650</b>	<b>\$431,913</b>	<b>\$0</b>	<b>\$1,295,737</b>
<b>FEDERAL FUNDING</b>				
17. Federal assistance requested, calculated as follows: (Consult Federal agency for Federal percentage share.) Enter the resulting Federal share.	Enter eligible costs from line 16a Multiply X 20%			\$345,530



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## **Budget Narrative**

**Applicant Name:** **Level 3 EON, LLC**

**Easygrants Number:** **1974**

**Organization Type (from Question 1D on BTOP application):** **For-Profit Corporation**

**Proposed Period of Performance:** **2010-2011**

**Total Project Costs:** **\$1,727,650**

**Total Federal Grant Request:** **\$1,295,737**

**Total Matching Funds (Cash):** **\$431,913**

**Total Matching Funds (In-Kind):** **\$ 0**

**Total Matching Funds (Cash + In-Kind):** **\$431,913**

**Total Matching Funds (Cash + In-Kind) as Percentage of Total Project Costs:** **25%**

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### **1. Administrative and legal expenses**

- List breakout of position(s), time commitment(s) such as hours or level-of-effort, and salary information/rates with a detailed explanation, and additional information as needed.

*On the Adjusted SF424C, the Administrative and legal expenses cover the government audit fee (\$50,000) and the consulting fees (\$30,000) for the preparation of the BTOP Step 1 application and the Step 2 environmental questionnaire. These are negotiated fixed rates for completion of the audit and the pre-application expenses.*

*Note: The \$30,000 for consulting fees is part of the Pre-Award Expenses of \$32,500 under Professional Services/Consulting in the Detail of Project Costs.*



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**- Provide description, calculation, and basis of evaluation for Cash Matching Funds.**

***The 25% matching funds will be provided by Level 3 Communications, Inc.***

**- Provide description, calculation, and basis of evaluation for In-Kind Matching Funds.**

***N/A***

## **2. Land, structure, rights-of-way, appraisals, etc.**

**- Provide description of estimated costs, proposed activities, and additional information as needed.**

***At each of the project sites (each point of interconnection - POI), Level 3 will need to obtain a permit to complete the construction work for the manhole construction on Level 3's property. Each site requires right-of-way (ROW) and permitting, which costs \$2,700 per site for a total of \$10,800. The unit rate is derived from Level 3's current experience on existing projects in this state.***

**- Provide description, calculation, and basis of evaluation for Cash Matching Funds.**

***The 25% matching funds will be provided by Level 3 Communications, Inc.***

**- Provide description, calculation, and basis of evaluation for In-Kind Matching Funds.**

***N/A***

## **3. Relocation expenses and payment**

***N/A***

## **4. Architectural and engineering fees**



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- Provide description of estimated fees, explanation of proposed services, and additional information as needed.

*The \$2,500 for professional engineer (PE) sign-off is part of the Pre-Award Expenses of \$32,500 under Professional Services/Consulting in the Detail of Project Costs. The actual costs for the professional engineer is from a negotiated rate with a vendor.*

- Provide description, calculation, and basis of evaluation for Cash Matching Funds.

*The 25% matching funds will be provided by Level 3 Communications, Inc.*

- Provide description, calculation, and basis of evaluation for In-Kind Matching Funds.

*N/A*

## **5. Other architectural and engineering fees**

*N/A*

## **6. Project inspection fees**

*N/A*

## **7. Site work**

- Provide description of estimated fees, explanation of proposed services, and additional information as needed.

*At each of the project sites (each point of interconnection - POI), Level 3 will prepare the grounds for the construction of the manholes. The unit price is based on experience of the typical costs required to prepare each site. This cost is a fixed fee of \$11,250 per site, for a total of \$45,000.*

- Provide description, calculation, and basis of evaluation for Cash Matching Funds.

*The 25% matching funds will be provided by Level 3 Communications, Inc.*



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- Provide description, calculation, and basis of evaluation for In-Kind Matching Funds.

N/A

8. Demolition and removal

N/A

9. Construction

- Provide description of estimated fees, explanation of proposed services, state whether the work is being completed by the applicant or an outside contractor, and additional information as needed.

*The fees listed under Construction (\$169,600) include the costs for the materials and labor required for the fiber entry cables (\$49/ft, 1700ft, \$83,300 total), the fiber entry conduits (\$31/ft, 1700ft, \$52,700 total), and the customer fiber entry manholes (2 per site, \$4,200 each, total of \$33,600). In addition, the fixed cost of splicing the fiber from the manhole to the existing backbone is included. Work will be completed by applicant and local outside contractor.*

- Provide description, calculation, and basis of evaluation for Cash Matching Funds.

*The 25% matching funds will be provided by Level 3 Communications, Inc.*

- Provide description, calculation, and basis of evaluation for In-Kind Matching Funds.

N/A

10. Equipment

- Provide list of equipment with description, number of units, unit cost, state whether it is being purchased or leased, and additional information as needed.

Equipment	Unit Cost	#	Total	
1-Span DWDM System	91750	1	91750	Will be purchased
2-Span DWDM System	109750	2	219500	Will be purchased
3-Span DWDM System	127750	1	127750	Will be purchased
6-Span DWDM System	181750	1	181750	Will be purchased
7-Span DWDM System	199750	1	199750	Will be purchased
Headend ADM	36000	8	288000	Will be purchased



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Interior ADM	65250	4	261000	Will be purchased
Network Monitoring – Side Band	500	2	1000	Will be purchased
Network Monitoring – In Band	9,625	2	19250	Will be purchased
Test Set	\$30,000	1	\$30,000	Will be purchased
Total			\$1,419,750.00	

***Equipment costs (\$1,389,750) cover the DWDM equipment to provide wavelength services, the ADM equipment to provide SONET and Ethernet services, and the equipment required to connect the site to the backbone network monitoring system. One test set (\$30,000) is needed in the field to support testing customer services terminating at these remote POIs. The costs are based on Level 3's negotiated rates with the equipment vendors.***

**- Provide description, calculation, and basis of evaluation for Cash Matching Funds.**

***The 25% matching funds will be provided by Level 3 Communications, Inc.***

**- Provide description, calculation, and basis of evaluation for In-Kind Matching Funds.**

**N/A**

**11. Miscellaneous**

**N/A**

**Addendum**

**- If indirect costs (i.e., indirect, overhead, general and administrative, facilities and administration, etc.) and/or fringe benefits are included in the budget, please provide a copy of your existing Negotiated Indirect Cost Recovery Agreement (NICRA), if available. If the NICRA is applied accordingly in the budget, there is no need to justify the costs. If a NICRA is not available or is not consistent with the rates/calculations in the budget, please provide an explanation of how the amounts were calculated. Please clearly list the manner in which indirect costs are calculated in the budget.**

**N/A**