



April 25, 2022

ATTN: Aaron Jenkins  
IT Coordinator  
Email: [AJenkins@cityofavon.com](mailto:AJenkins@cityofavon.com)  
City of Avon  
36080 Chester Road  
Avon, OH 44011

Lit Communities Broadband Inc ("Lit") is pleased to submit this Proposal ("Letter Agreement") to the City of Avon, OH ("Client" or "City") for providing services set forth herein for the above referenced project. Our Project Understanding is detailed below and the Letter Agreement details the Statement of Work and Pricing to complete the Project Understanding.

#### Project Understanding

Lit understands that the City is looking for a partner to provide information needed to analyze, select and implement the best solutions to improve broadband connectivity across the City of Avon so that future networks are an asset for community and economic development. Lit is submitting this Letter Agreement and the below Statement of Work to complete the tasks and deliver the highest level of service for the Client.

#### Section 1:

##### Statement of Work

#### **Task #1 – Kickoff Meeting and Data Collection**

Lit and the City will schedule a kickoff meeting once all contracts have been executed. The purpose of this meeting will be to:

- establish the overall goals and work flow for the project
- complete an overview and schedule for each task
- create a point of contact list
- define the network area boundaries within the City and the GIS data needed and available, create an agreed upon format to transfer all data files
- discuss the City's interest in specific federal and state financial assistance programs, potential opportunities, and previous efforts to obtain federal and state grant funding.

To get started in planning the network, the City will send all GIS and AutoCAD files, including base map features, available to Lit through an agreed upon file share platform. The City will also



deliver an official address database for all demand points including homes, businesses, key anchor institutes, sub-stations, and future wireless locations. Lit's team will evaluate all data and provide feedback to ensure accuracy for all future tasks.

### City Deliverables

- GIS and AutoCAD files, including base map features
- Official address database for all demand points including homes, businesses, key anchor institutes, sub-stations, and future wireless locations
- Client's images, logos, fonts, colors to use for Demand Aggregation

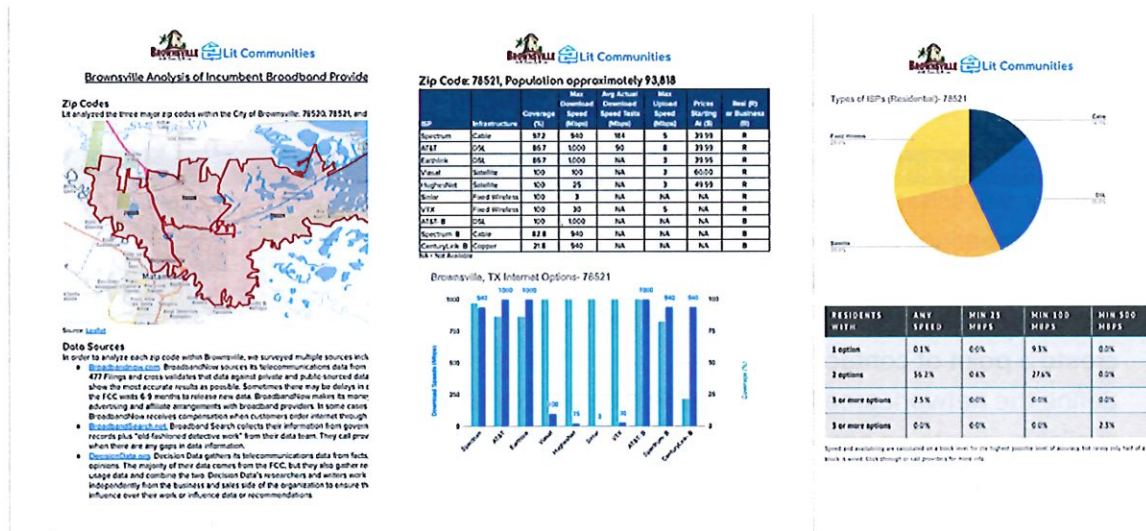
### Lit's Deliverables

- Evaluate all City data and provide feedback to ensure accuracy for all future tasks
- Identify possible City partners and local stakeholders (this will be ongoing throughout the project)

## Task #2 – Market Service and Incumbent Analysis

Lit will perform research and assess the incumbent service provider (ISP) landscape. We will specifically research and assess:

- Identification of fiber network ownership
- Current internet service levels and current service adequacy
- Available ISP plans for expansion of existing assets
- Identification of long haul fiber in the area that may be leveraged by the community



### Lit's Deliverables

- Detailed list and analysis of incumbent service providers and offerings within the City



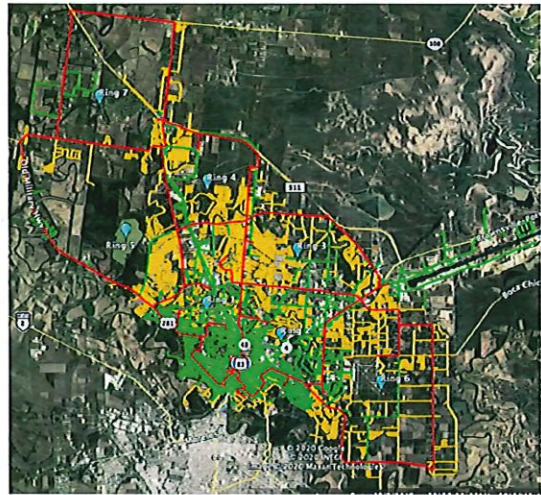


- A map identifying existing the incumbent service providers within the City
- Nearby long haul fiber for connectivity opportunities

### Task #3 - Preliminary Design Set Up and Execution

The objective of the preliminary design is to develop a high level path of a fiber network utilizing the GIS data provided by the Client. This high level path will help determine footages and costs that will drive the financial model and act as the framework for any future engineering efforts. The preliminary design will include:

- Value engineering,
- The distance of fiber path and an estimation of materials
- Ratio of underground construction versus aerial network placement
- Long lead permit avoidance,
- Constructability in congested areas,
- Ease of maintenance and future access



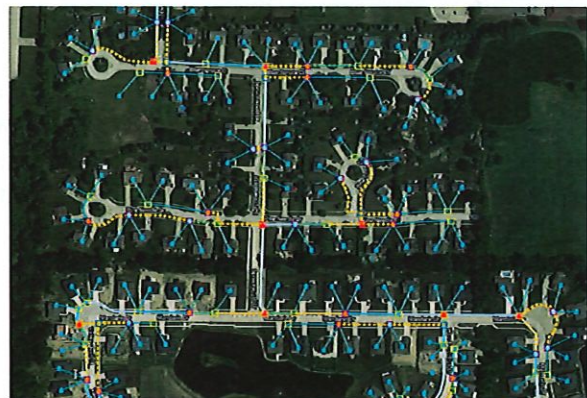
The preliminary design will be produced using proprietary design processes developed by Lit's Chief GIS Engineer and will be based on data provided from the Client during Task #1. This automated design software combines quantitative analysis with machine learning to generate designs that are optimized for cost efficient network deployment. This reduces planning and design time with subsequent material and labor cost savings. This tool can be used multiple times in order to optimize the design. Please note that the output will be more accurate with the most recent GIS data from multiple sources.

#### Technology Used

- Optimal Path
- GIS Data
- Google Earth

#### Deliverables for Preliminary Design

- Shape file or KMZ of preliminary design,
- Bill of Materials ("BOM") including all labor and material estimates
- Identification of any adjacent fiber assets to be leveraged



### Task #4 – Preliminary Construction Ride Out and Make Ready Engineering Assessment

#### Task #4.1- Preliminary Construction Ride Out







Lit will complete a Preliminary Construction Ride Out (“CRO”) in the agreed upon service area to thoroughly analyze the outside plant infrastructure placement for cost and schedule efficiency.

Using the path from the initial Preliminary Design:

- areas will be identified as primary build out phases
- evaluated by desktop with notes created using field software on a laptop or mobile device
- field driven with path notes created for changes to properly identify aerial vs. underground and the methodology including trench, plow, bore, identify street cuts, etc.
- Lit will then create an updated preliminary design and updated bill of materials estimate

#### **Task #4.2 -Make Ready Engineering Assessment**

As part of the Preliminary Construction Ride Out and Make Ready Engineering Assessment, Lit will:

- Perform a high-level visual check of poles for usability,
- Classify poles into a category to best determine total make ready costs,

#### **Deliverables for CRO and MREA**

- Updated preliminary design and bill of materials for cost estimations
- All data collected including pole data and classification
- All results incorporated into the business plan

*\*Desktop CRO is only as good as the most recent aerial imagery available*

### **Task #5 – Financial Model and Business Plan**

Lit’s management team will create a detailed financial model to provide the vested parties the necessary information to make an educated decision to complete the network build out.

#### **Task #5.1 - Identify Deployment Approach**

With the evolution of fiber optic networks, there are several technical and financial options available to evaluate. Recognizing that many community leaders do not have specialized knowledge or experience related to fiber optic network planning, design, and management, Lit will gather information and provide guidance to the Client regarding options for network:

- Ownership
- Architecture and serviceable scope
- Operations and management
- Marketing and build out sequencing
- Pricing strategies
- Funding: private capital (infrastructure funds, local banks), public capital (bonds, grants)

Lit will consult with our partners to provide the capabilities of different revenue sources across a solid infrastructure foundation. With our collaborative approach and strategic planning, the network will be “best in class” to accommodate unforeseen needs over the lifetime of the system. Lit will also use data obtained to develop requirements for the network to support various “smart



city" applications. This will include traffic signals, streetlight mounted sensors, parking sensors, water meter sensors and the antenna collection sites for these applications.

#### **Task #5.2 - Detailed Financial Model and Business Plan**

Based on all the information and work completed for Tasks 1-5.1, Lit will deliver a final comprehensive business plan with detailed financial modeling for a fiber to the X network. There are many avenues to consider for funding a project of this scope and the exact blend of financial sources can only be determined once the data is compiled into a business plan. Lit will not only provide our recommended funding and deployment option but will also deliver multiple scenarios to the Client.

- Financial model with budget, income statement, cash flow statement, revenues (internet, TV, VoIP, telehealth, smart home, 5G/small cells), expenses (engineering, construction, O&M), assumptions, and debt and equity scenarios.
- Business Plan with details of the network, schedule/phases, architecture, investment, recommended financing options, risks and mitigants, and other data.

#### **Deliverables for Financial Model and Business Plan**

- Financial Model
- Business Plan

#### **Task #6 –Strategy Session**

Lit will conduct a Strategy Session with the Client, that should include all primary stakeholders, to discuss best practices in municipal broadband network planning, design, construction, funding and a deployment schedule to complete connectivity. Lit will give an overview of the results of all tasks and outline the business plan and financial model while answering questions the Client might have. Lit will discuss its recommendations for next steps to keep the project moving forward including:

- Local marketing campaigns and demand aggregation
- Additional stakeholder outreach and engagement
- Grant research and identification of eligible programs
- Capital introductions
- Detailed design and construction package creation
- Permit and pole attachment agreements
- Construction management and inspection
- Operations and maintenance

**Deliverables for Strategy Session** – Formal write up and summarization of the sessions and action items





### Schedule

| Task                                                            | Month 1 | Month 2 | Month 3 | Month 4 | Month 5 | Month 6 |
|-----------------------------------------------------------------|---------|---------|---------|---------|---------|---------|
| 1. Kick Off Meeting and Data Collection                         | 2 weeks |         |         |         |         |         |
| 2. Market Service and Incumbent Analysis/ Trends Review         | 3 weeks |         |         |         |         |         |
| 3. Preliminary Design Set Up and Execution                      |         | 5 weeks |         |         |         |         |
| 4. Preliminary Construction Ride Out and Make Ready Engineering |         | 3 weeks |         |         |         |         |
| 5. Financial Model and Business Plan                            |         | 4 weeks |         |         |         |         |
| 6. Strategy Session                                             |         |         | 2 weeks |         |         |         |

### Fee Proposal

If the Client and Lit agree to this Letter Agreement the pricing for the tasks below will be invoiced on a monthly basis and paid within net 20 days of receipt by the Client. Lit estimates all costs will be within 9,306 demand points and anything exceeding that will require a change order or additional contract to cover all costs. Demand points are defined as termination points on the fiber to the X network including residential, business, cell towers, smart poles and antennas. All travel expenses are included in the task cost.

| Task | Description                                                       | Unit of Measure | Units | Unit Cost (\$) | Total Cost (\$)/<br>Not to Exceed |
|------|-------------------------------------------------------------------|-----------------|-------|----------------|-----------------------------------|
| 1    | Kick Off Meeting and County Data Collection                       | Each            | 1     | 1,650.00       | 1,650                             |
| 2    | Market Service and Incumbent Analysis                             | Each            | 1     | 4,000.00       | 4,000                             |
| 3    | Preliminary Design- Set Up                                        | Each            | 1     | 2,500.00       | 2,500                             |
| 3    | Preliminary Design-Execution Middle Mile/ Last Mile               | Demand Points   | 9,306 | 1.00           | 9,306.00                          |
| 4    | Desktop Construction Ride Out & Make Ready Engineering Assessment | Each            | 1     | 10,000.00      | 10,000                            |
| 5    | Financial Model                                                   | Each            | 2     | 5,000.00       | 10,000                            |
| 5    | Business Plan                                                     | Each            | 1     | 10,000.00      | 10,000                            |
| 6    | Strategy Session                                                  | Each            | 1     | NC             | NC                                |
|      |                                                                   |                 |       | <b>TOTAL</b>   | <b>\$47,456</b>                   |



## Payment

If the Client and the Consultant agree to this Letter Agreement the pricing for the tasks below will be invoiced on a monthly basis and paid within net 20 days of receipt by the Client.

ALL INVOICES SHALL BE SENT TO THE BELOW VIA MAIL OR A SUPPLIED EMAIL:

Aaron Jenkins  
IT Coordinator  
City of Avon  
36080 Chester Road  
Avon, OH 44011

All Parties agree that all payments due and owing under this Agreement shall be made by wire transfer or ACH transfer to an account designated by "Lit" to "Client".

Lit Communities Broadband, Inc  
3500 Blue Lake Drive, Suite 225  
Birmingham, AL 35243

If you agree to the terms of this Letter Agreement and the Standard Terms and Conditions attached hereto and incorporated herein, please have an authorized representative sign two copies of this Letter Agreement in the spaces below. Retain one copy for your records and return the other to our office. If additional terms and conditions are required by the Client, they can be added to this Letter Agreement as an Exhibit.

We appreciate the opportunity to provide these services to you. Please do not hesitate to contact us if you have any questions or comments.

Sincerely,

Lit Communities Broadband, INC

(Signature)  DocuSigned by:  
Brian Snider  
BD784ECFDFEB4FC...

Name: Brian Snider

Title: CEO

Email: [brian@litcommunities.net](mailto:brian@litcommunities.net)

Date: 4/28/2022

City of Avon, OH

(Signature)

Name:

Title:

Email:

Date:





## **LIT COMMUNITIES BROADBAND, INC STANDARD TERMS AND CONDITIONS**

### **1. Scope, Term, and Termination.**

1.1 Lit Communities will provide services to Client only as specifically described in the letter agreement (the "Letter Agreement") subject to these Standard Terms and Conditions (these "Terms and Conditions", together with the Letter Agreement and incorporated by reference therein, this "Agreement"). The scope of services to be performed by Lit Communities ("Services") will be set forth in the Letter Agreement. These Terms and Conditions will commence on the effective date of the Letter Agreement and will continue in effect until the earlier of the completion of all Services, or termination of the Letter Agreement. Except as set forth in the Letter Agreement, Lit Communities will provide its own tools, materials, equipment and other business items necessary to perform the Services. If requested by the Client and agreed to by Lit Communities, Lit Communities will perform additional services ("Additional Services") at Lit Communities' then-current hourly rates, or an agreed-upon sum, per a separate letter agreement which will be subject to these Standard Terms and Conditions.

1.2. When included in Lit Communities' scope of services, opinions or estimates of probable construction cost are prepared on the basis of Lit Communities' experience and qualifications and represent Lit Communities' judgment as a professional generally familiar with the industry. However, since Lit Communities has no control over the cost of labor, materials, equipment or services furnished by others, contractor's methods of determining prices, competitive bidding, or market conditions, Lit Communities does not guarantee that proposals, bids, or actual construction cost will not vary from Lit Communities' opinions or estimates of probable construction costs.

1.3. Termination. Client or Lit Communities may terminate this Agreement for any reason by giving the non-terminating party seven days written notice prior to the proposed termination; provided, however, if payment is not made by Client within three (3) days of written notice by Lit Communities to Client of nonpayment, Lit Communities may terminate this Agreement immediately for failure by Client to make payments in accordance with this Agreement. In the event of termination by either party for any reason, Client will pay Lit Communities for all Services performed up to the date of termination. Sections 3, 4, 5, 6, 7 and 11 will survive the expiration or termination of this Agreement.

**2. Terms of Payment.** Except as specifically set forth in the Letter Agreement, the following terms of payment will apply: Lit Communities will submit to Client an itemized invoice for all of the applicable amount(s) due hereunder, including without limitation any expenses incurred by Lit Communities. Payment will be due 30 days from date of invoice and will be payable only in U.S. dollars Lit Communities may, after 3 days' written notice to Client, suspend Services under this Agreement, without liability; until all past due amounts have been paid in full, excluding non-payment for amounts disputed in good faith. Amounts invoiced exclude, and Client will pay, all sales, use, transfer, value-added tax or other taxes, whether federal, state, provincial, local, or otherwise which are levied or imposed by reason of the Services performed, except those based solely on Lit Communities net income. All payments shall be made via EFT or sent to Lit Communities, LLC, 164 Lake Chelsea Dr, Chelsea, AL 35043

**3. Ownership.** Each party will retain title to all of its respective Confidential Information as defined in Section 4 below, whether developed before, during, or after the Services. Client





agrees that any and all deliverables, plans, diagrams, drawings, specifications, reports, electronic files, field data, notes and other documents and instruments prepared by Lit Communities and delivered to Client hereunder are instruments of professional service (the "Instruments") and may be used by Client only for purposes of the project for which they are made (the "Project") Such Instruments shall be considered authored and owned by Lit Communities and shall remain the property of Lit Communities, whether the Project is completed or not. Lit Communities shall retain all common law, statutory and other reserved rights, including, without limitation, all copyrights thereto. Client shall be permitted to retain copies of such Instruments for information and reference only. The Instruments shall not be used or relied upon by Client (a) if they are not completed or are partially complete, or (b) on other projects, or for additions to the Project, except by agreement in writing and with appropriate compensation to Lit Communities. Any unauthorized use of such Instruments shall be at the Client's sole risk and without liability to Lit Communities.

**4. Confidentiality.** "Confidential Information" as used in this Agreement will mean any and all confidential and proprietary technical and non-technical information including patent, copyright, trade secret, and proprietary information, techniques, models, inventions, know-how, processes, apparatus, equipment, algorithms, software programs, and formulae related to the current, future and proposed products and services of each of the parties and its customers or vendors, including, without limitation, information concerning product or process research and development, design details and specifications, engineering, financial data (including the amount of or information regarding the fees for the Services), manufacturing, customer lists, business forecasts, sales and merchandising, and marketing plans. Each party will treat, protect, and safeguard as proprietary and confidential this Agreement and all Confidential Information disclosed to the other under this Agreement. Neither party will use, either directly or indirectly, any of the other party's Confidential Information other than for the purpose for which it has been disclosed in connection with the performance of the Services. Each party agrees that it will disclose the other party's Confidential Information only to its employees and representatives who need to know such information. Each party acknowledges that the disclosure of any Confidential Information, except as expressly permitted by this Agreement, will cause irreparable injury for which the injured party may not have an adequate remedy at law. Accordingly, either party consents to the other party obtaining injunctive relief against the breach or threatened breach of any of the foregoing undertakings, in addition to any other legal remedies. The above restrictions will not apply to any information in whatever form that is in the public domain, nor shall they restrict a party from giving notices required by law or complying with an order to provide information or data when such an order is issued by a court, administrative agency or other legitimate authority (provided such party will notify the other party as soon as reasonably possible prior to such disclosure to afford the other party an opportunity to object or to seek a protective order), or if disclosure is reasonably necessary for such party to defend itself from any legal action or claim.

**5. Indemnification.** Contractor shall, to the fullest extent permitted by law, indemnify, and hold harmless (but not defend) the Client, its members, employees, and agents from and against any and all liability, damages, claims, suits, liens, and judgments (including reasonable attorneys' fees), of whatever nature, for injuries to or death of any person or persons, or damage to the property, including third party claims to the extent attributable to the negligence of Contractor or Contractor's failure to perform in accordance with the provisions of this Agreement





Except for claims for personal injuries to or death of any person or persons, to the fullest extent permitted by law, each party agrees to limit the liability of the other party, their respective elected officials, officers, directors, shareholders, employees or agents for any and all claims, losses, costs, damages of any nature whatsoever, or claims expenses from any cause or causes, including attorneys' fees and costs and expert witness fees and costs, so that the total aggregate liability of the other party shall not exceed Twenty Five Thousand Dollars (\$25,000) or the total fee for service rendered pursuant to this Agreement, whichever is greater.

**6. Representation.** During the term of the applicable Services, Lit Communities represents that any service rendered by Lit Communities will be performed with the care and skill ordinarily used by other members of Lit Communities's profession practicing under similar conditions.

**7. Limitation of Liability.**

7.1 Notwithstanding any provision to the contrary in this Agreement, if the Letter Agreement provides for the delivery of any Construction Phase Services by Lit Communities, Client acknowledges and agrees that the general contractor hired by Client is solely responsible for the construction of the project and Lit Communities will not be liable for the construction means, methods, techniques, sequences or procedures employed by such general contractor or for any and all acts or omissions of any such general contractor, subcontractor, supplier, or otherwise with respect to any Construction Phase Services provided by Lit Communities hereunder.

7.2. Notwithstanding any provision to the contrary in this Agreement, Lit Communities' scope of Services does not nor will not include any services related to the environmental PCBs, petroleum, hazardous waste or radioactive materials or compliance with any environmental health or safety laws. Client acknowledges and agrees that Client is solely responsible and liable for assessing any environmental health or safety issues with respect to any and all Client projects and that Lit Communities is in no event liable for any environmental review or claims.

**8. Subcontracting.** Lit Communities may subcontract its obligations under this Agreement to a third party reasonably acceptable to Client, so long as Lit Communities remains responsible for the subcontractor's work under the terms of this Agreement, and the third-party subcontractor agrees to be bound by terms substantially similar to those in this Agreement.

**9. Independent Contractor.** Both parties agree that Lit Communities is an independent contractor in relation to Client, and will not be considered an agent or servant of Client. It is agreed that Lit Communities will have the right to control the details of its Services. Client and Lit Communities agree that in no respect will any employee of Lit Communities be an employee of Client.

**10. Force Majeure.** Except for payment obligations hereunder, neither party will be liable for failure to perform any of its obligations hereunder where such performance is prevented or interfered with by riots, wars or hostilities between any nations, acts of God, acts of terrorism, fires, storms, floods, earthquakes, strikes, labor disputes, shortages or delays of carriers, shortages or curtailments of raw materials, labor, power or other utility services, and other cause beyond the reasonable control of the parties hereto; provided, in the event a force majeure event delays a party's performance by more than thirty (30) days, the other party will





have the right to terminate this Agreement by providing written notice thereof to the delayed party. This provision will not be construed as relieving either party from its obligation to pay any sums due the other party that were incurred up to that event.

11. **Miscellaneous.** This Agreement, including the Letter Agreement, is the exclusive statement of the agreement between the parties with respect to the matters set forth herein, and supersedes all prior agreements, negotiations, representations and proposals, written and oral, with respect to the subject matter hereof. Variance from, or additions to, the terms and conditions of this Agreement in any purchase order or other written notification from Client will be of no effect. This Agreement will be governed by and construed in accordance with the laws of the State of Ohio. The parties agree that any claim arising out of or relating to this Agreement shall be brought in the state of Ohio, Lorain County or federal court of competent jurisdiction in the Northern District of Ohio. Client consents to the personal jurisdiction of these state and federal courts. This Agreement will be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. Without prior written consent of the non-assigning party, neither party may assign this Agreement.

