Illinois Office of Broadband Performance Report

Capital Projects Fund 2025 Report

Illinois Office of Broadband

Department of Commerce and Economic Opportunity

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Executive Summary

The Connect Illinois Broadband Grant Program embodies an essential and strategic component of the all-inclusive 2019 Rebuild Illinois Infrastructure Program. The Capital Projects Fund (CPF) supports Connect Illinois Round 3, which funds proposals that facilitate broadband deployment. The program's mission is to develop and strengthen existing broadband network infrastructure to facilitate health information technology, telemedicine, distance learning, public safety, and other essential services.

The Illinois Office of Broadband (IOB), housed in the Illinois Department of Commerce and Economic Opportunity (DCEO), has 38 CPF projects across 15 unique entities that were awarded grants to connect homes, businesses, and community anchor institutions to quality high-speed internet.

Grants were initiated as early as December 1, 2023, with projects running through December 31, 2026. As of the June 30, 2025, CPF awards total \$227,803,551.00. Grantees include:

- CIRBN, LLC
- Crossville Telephone Company, Inc.
- Diverse Communications Inc.
- Grafton Technologies Inc.
- Jo-Carroll Energy, Inc.
- Oneida Telephone Exchange
- ProTek Communications, LLC, Strada Communications, L.L.C
- Village of Troy Grove
- Wabash Telephone Cooperative, Inc.
- Shelby Electric Cooperative, Inc.
- West Kentucky Rural Telephone Cooperative Corporation, Inc.
- Gargoyle Technologies, Inc.
- Surf Air Wireless, LLC
- Frontier Communications of Illinois, Inc.

Details on milestone progress, notable accomplishments and challenges, and project-specific testimonials can be found below.



The IOB on a site visit to observe Strada Communications' fiber deployment.

Use of Funds

Project Highlights

Grafton Technologies Incorporated (GTI), a family-owned company founded in 1908, is committed to connecting Jersey County with high-speed internet. With support from Connect Illinois Round 1, GTI has already deployed 83 miles of fiber to serve 700 locations in Fieldon, Illinois. They are now expanding using Connect Illinois Round 3 capacity with 110 additional miles to serve over 950 additional locations. GTI offers in-house, up to 10 gig fiber built with local labor union support. These high-speed connections are transforming rural life by enabling telehealth in areas where hospitals are a 20-minute drive, supporting remote learning for kids with long bus rides, and helping farmers market livestock via Zoom. GTI remains committed to sitting down with residents, listening to local needs, and growing its footprint to ensure every home, business, and community anchor institution has access to fast, reliable internet.



The Illinois Office of Broadband visits Grafton Technologies, Inc. for a live demonstration.

Flat Rock Telephone Co-op, serving southeast Illinois since 1923, is expanding fiber-to-the-home service to 331 homes and businesses in Flat Rock through Connect Illinois Round 3 covering 26.6 miles. Construction began in June 2025, with completion expected by year's end, delivering fast, reliable 1 gig internet to this rural community. This project is managed by a dedicated local team and supported by Wabash Cooperative.

Crossville Telephone Company Inc. formed in 1917 to bring telephone service to rural southeastern Illinois and began offering internet in 2015 to meet growing digital needs in its farming and oil-producing community. From the assistance of Connect Illinois Round 3, they are deploying fiber to serve 241 households through 62.5 miles of fiber in the Phillips Township and Crossville areas, with construction underway and completion expected by the end of 2025. The impact will be transformative: students in a consolidated school district will be able to participate in remote learning, farmers will use smart technology to boost crop production, and older residents will gain access to vital telehealth services which is critical in a region where the nearest hospital is 60 miles away. Their commitment to quality, local service is ensuring that even the most rural households aren't left behind in the digital age.



Crossville Telephone Company broadband deployment in action.

Silo Communications, founded in 2020 by high school students in Winnebago Village, is led by a dedicated young team focused on expanding broadband for economic growth, healthcare access, and workforce development. Silo is focused on expanding broadband access for economic growth, education, and healthcare. With support from Connect Illinois Round 3, they're deploying 89 miles of fiber to connect 647 homes and businesses across Winnebago, broken into three manageable construction phases now underway. Their local roots and fast response times have already earned them trust in the community, where reliable internet is opening doors for remote work, virtual learning, and telehealth access. Silo's story is proof that with vision and energy, even the newest providers can make a lasting impact.

Surf Air Wireless LLC celebrated its 25th anniversary this past year and continues to expand its mission-driven commitment to serve communities across the Midwest with high-speed fiber broadband. With strong local roots—many of Surf's employees live, work, and raise their families in the very towns they serve—the company is leveraging Connect Illinois Round 3 to build critical infrastructure in Lee, Ogle, Whiteside, Putnam, Marshall, and LaSalle counties. Projects like Varna and Dixon are not only bringing fiber to hundreds of homes and businesses but also creating essential backbone connections that support regional economic development, enhanced 911 communications, and future connectivity to high-end data centers. As one customer put it, "Not only are we getting fiber to the home—we're finally building the infrastructure our region needs to thrive." Surf's work demonstrates how thoughtful public-private collaboration can accelerate digital equity while creating long-lasting economic opportunity.

Gargoyle – doing business as Volo – broke ground on their broadband infrastructure project in May 2025 in Champaign County, with a commitment to deploy 110 miles of fiber backbone and connect 575 unserved homes and businesses. This expansion addresses critical telehealth needs, enabling remote patient monitoring and chronic disease management, which supports Medicare and Medicaid systems and reduces healthcare costs. Additionally, it will ensure that precision agriculture has the connectivity required to support micro-networks in the field, and small businesses like a local travel agency can operate from home rather than paying for commercial space just to access the internet. The project also includes a robust workforce development component through a partnership with Parkland College and BDI DataLynk, offering a fiber optic apprenticeship that pays participants to train and work in fiber installation and maintenance. Volo's investment is already generating strong community interest and will deliver lasting benefits across education, healthcare, and the local economy.



Connect Illinois project at work.

Challenges to Deployment

Connect Illinois Round 3 projects have faced significant challenges in right-of-way (ROW) access and easement acquisition in rural areas across the state. In many parts of Illinois,

landowners' property extends to the middle of the road, requiring providers to negotiate individual easements with each property owner through whose property a road runs. This delays projects by months at a time and presents a prohibitive expense for many. The Electrical Service Broadband Deployment and Access Law was passed and signed into law as Public Act 104-0426. The law authorizes electric cooperatives that have received broadband infrastructure grant funding to use existing electrical easements to install and maintain broadband infrastructure. For these providers, this provides a more streamlined process for acquiring permissions to install in the right-of-way.

Connect Illinois Round 3 projects also face tight timelines to completion. Delays resulting from long permitting processes from railroads, ROW negotiations and permitting, and a short construction season pose risks to projects.

Addressing Critical Needs

The IOB considers critical needs when selecting sub-awardees. Much of Illinois is rural and lacks adequate broadband infrastructure. This program is taking steps to eradicate that by building ubiquitous service available to all residents and utilizing critical needs to select where to allocate the dollars from the start. The first three criteria the merit review team considered for awards is based off critical need – they evaluated Project Impact, Nonstate Match & Demonstration of Need, and Community Support. The IOB received feedback from many residents expressing support and the need to bring broadband to their community.

For example, Volo's project application included 67 letters of support, with one indicating:

"Currently, the best internet service available to me is [provider name removed]. I pay \$149 and my typical speeds are very slow, topping out at like 15mpbs-25mbps. It would change my life immensely to have 1000mbps fiber available where I live! Currently I am unable to stream and download, as well as barely check my email and website and because of that, it really puts a strain on my family and my life. I strongly encourage you to fund Volo's project." — Champaign County Resident

The public is aware of the Connect Illinois initiative, as seen through letters of support and complemented by the work of the IOB's Community Engagement Unit, which further strengthens community awareness and support of the program. Community Engagement Managers, each assigned to a region around the state, routinely attend community meetings and public forums, sharing out about the benefits of broadband service and further information about Connect Illinois projects. Community engagement managers also communicate with resident's one-on-one to answer questions about how to enroll in Connect Illinois service and where to find internet in their area.



The Illinois Office of Broadband engages with stakeholders benefitting from Wabash Communications' broadband deployment.

The IOB also partners with the Illinois Broadband Lab for mass communications efforts. The Lab is an initiative based out of the University of Illinois System which increases capacity on communications, data analysis, and programming efforts. Together with the Lab, the IOB publishes a bi-weekly newsletter with more than 3,000 subscribers. This newsletter features IOB engagement in the field and highlights grantee projects. The IOB and the Lab also publish social media posts on LinkedIn to further promote the positive progress on Connect Illinois projects.

As projects begin to complete construction and shift into the adoption phase, grantees are incentivized to market their network to ensure long-term sustainability of the network. ProTek, a grantee who is nearing project completion, shared how they will approach adoption and enrollment:

"Over the years, we have discovered a somewhat simplistic approach of customer acquisition to be the most effective. As we build our network of fixed wireless subscribers, very few of our efforts rendered as much success as word of mouth and social media interactions. We plan to garnish additional support from our local community by spearheading a variety of efforts. Giveaways of free installations, service and/or amazon gift cards have proven to be a reliable method to spread the word of efforts and acquire new customers. We also plan to extend our community involvement to include sponsorships and community networking luncheons in order to market ourselves as the areas most invested local ISP." - Excerpt from ProTek Application

The outcomes towards closing the critical need of broadband access to all residents is still in process. The IOB's sub-awardees have approximately 15 months remaining to complete the construction, and the IOB is tracking their progress through both quarterly recurring meetings with key team members from the grantee and the IOB, and through assessment of a variety of metrics. The Periodic Performance Report (PPR) is submitted on a quarterly basis to demonstrate progress, where grantees report out on progress in different categories of work. The chart below shows this progress with the categories generally in chronological order, though this is not strictly necessary. Thus far, results are in line with expectations.

Milestone	Rate of Completion by Project
Environmental Review Approved	44%
Business Enterprise Plan (BEP) Approved	74%
Illinois Works Budget Supplement Approved	38%
Design / Engineering Complete	54%
Permits Submitted	46%
1st Order of Materials Purchased	56%
Construction Started	36%
Construction 50% (by miles)	8%
Passes Started	8%
Passes 50%	0%
Customers Turned On	5%
Construction Complete (Miles)	7%
Passes Complete*	3%

^{*}This indicates 3% of the projects have built out all passes in the project. Across all projects, 1,776 passes have been built of the approximately 25,000 scheduled for completion.

Labor

All IOB grantees must comply with all requirements of the Prevailing Wage Act, including but not limited to, inserting into all contracts for construction a stipulation to the effect that no less than the prevailing rate of wages as applicable to the project shall be paid to all laborers, workers, and mechanics performing labor under the award and requiring all bonds of contractors to include a provision as will guarantee the faithful performance of such prevailing wage clause as provided by contract. Grantees are required to report on Prevailing Wage Act compliance monthly.

To comply with the Business Enterprise Program for Minorities, Females, and Persons with Disabilities Act, grantees must also obtain approval of their Business Enterprise Utilization Plan, which necessitates grantees to meet a determined goal, which is specific to each project, that a percentage of grant funds being expended are with a minority- or female-owned business. Expenditures can include spending on a sub-contractor and/or material purchase.

The IOB also hosts quarterly update meetings with the organized labor community and published the Illinois Broadband Jobs Board, in partnership with Heartland Forward, to promote apprenticeships, trainings, and careers in broadband deployment (<u>Find Employment - Connecting the Heartland Jobs Board</u>), including local training and hiring practices.

During times of high unemployment for the State, the Employment of Illinois Workers on Public Works Act requires the workforce on public works projects be composed of a minimum of 90%

Illinois resident laborers. This requirement went into effect for a brief period in the Fall 2024, and no grantees reported issues in complying.

Grantees must also comply with the Illinois Works Jobs Program Act. Projects with total estimated project costs over \$500,000 must meet a 10% apprenticeship goal on labor hours for each prevailing wage job classification utilized on the project. The application of the goal depends on the grant award and total project costs and the estimated versus actual labor hours. The goal can be reduced or waived if no eligible apprenticeship opportunities are available in the project area.

Community Engagement

The IOB has established an energetic process for incorporating community and stakeholder feedback into the selection and implementation of CPF projects. This method prioritizes transparency, accuracy, and active engagement within affected communities. The Office initiated a critical "mapping review" tool that was established based on applicants having the opportunity to review and challenge the accuracy of the Grant Eligibility Map which is part of the Illinois Broadband Map. Correspondingly, existing broadband providers can challenge a grant application's eligibility based on current service availability or imminent deployment plans. This method is predominantly vital for areas where the map may simultaneously designate proposed Connect Illinois broadband deployment and potentially under-represented existing service points.

The IOB mapping analysis serves as a transparent all-inclusive interchange between the IOB and Connect Illinois stakeholders. The Office is committed to ensuring that no awards are finalized without thorough discussion of the mapping and service levels under consideration. In evaluating project applications, community support plays a substantial role, with up to 20 points allocated based on evidence of local backing. The Office considers several key factors:

- The extent and depth of community endorsement;
- Diversity and personalization of support letters from community members;
- Project alignment with established community strategic plans;
- Recent, statistically significant community surveys demonstrating need and support;
- Documentation of outreach efforts to assess community interest; and
- Additional feedback illustrating pressing need and project endorsement.

Importantly, the Office notes that a lack of evident community support may result in no points being awarded in this category, emphasizing the critical nature of local engagement in successful implementation of a project.





The Illinois Office of Broadband engages with local stakeholders at the Connect Champaign County project with Volo.

The IOB has networked with numerous rural stakeholders across the state, making sure that they are cognizant of the internet service providers that may participate in the program in their region, and also working to ensure that they have the resources and support to participate in community broadband planning and evaluate providers. As Round 3 projects move through the construction, implementation, and completions phases, the IOB is dedicated to maintaining continuing communication with impacted communities. Through continuous dialogue, the Office can address concerns promptly and integrate feedback throughout the grant's project lifecycle. Round 3 projects are underway and IOB is working diligently with sub-recipients to ensure they are connecting with local leaders and municipal government to increase awareness of the deployment, build trust, and create momentum to support adoption.



The Illinois Office of Broadband convened community stakeholders to learn about programming and encourage broadband adoption.

The IOB has also created a new position, hiring two staff members to serve as Broadband Permitting and Policy Coordinators to work one-on-one with grantees, troubleshooting challenges, identifying and resolving structural issues with permitting processes, and reforming policy to help reduce barriers to broadband deployment.



The Illinois Office of Broadband presenting about Connect Illinois Round 3 projects and Permitting & Policy Coordinators engaging with local government stakeholders.

Many grantees are electric cooperatives and local governments that already have existing relationships with and access to community members in the project area. As additional grantee projects make progress, IOB will continue to support providers in community outreach and relationship building to ensure services are executed, utilized, and of respectable quality. The IOB attends industry events and community meetings, hosts Quarterly Interagency Updates meetings to coordinate deployment with other state agencies, facilitates a quarterly Broadband Advisory Council meeting, and has initiated focus groups and feedback sessions around implementation of the Dig Once Act. All of these activities contribute to increasing coordination between subgrantees, the IOB, permitting agencies, and community stakeholders to set projects up for long-term success.



Illinois Office of Broadband presentation about Connect Illinois and broadband deployment challenges and resources at the Illinois Broadband and Telecommunications Association Convention.