



Chelan County PUD Engineering & Technology Stimulus Update



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www.chelanpud.org

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Agenda

▼ General Update

- What did we apply for?
- What will we do with the funds?
- Timing

▼ Current Efforts

- Modeling the economics
- Legal issues with the Terms and Conditions
- Customer Survey

**This is an informational presentation
No action is required today**

What did we apply for?

- ▼ **Application was made through the Rural Utilities Service (RUS)**

- ▼ **Filed application on March 27, 2010**
 - Total amount to complete build-out is ~\$33M
 - Combination grant/District funded
 - 75% grant or ~\$25M
 - 25% funded by the District ~\$8M

- ▼ **NoaNet's application was made through the National Telecommunications & Information Administration (NTIA)**
 - This process may help facilitate our effort

What was the goal for obtaining this Grant?

- ▼ **To aid in completing the build-out to most of the rural areas of the county**
 - Approximately 6,800 premises would be reached
 - 13 distinct serving areas (see map)
 - Some areas would still be unserved

- ▼ **Benefits to the community**
 - Ubiquitous broadband availability, a world class connected community
 - 75 jobs will be created in the local community, most of which are contract positions for the duration of the project.
 - Distance learning more accessible to children in rural areas
 - Telemedicine capabilities in rural areas increases exponentially
 - May assist in economic growth

Timing

▼ **Good news! We were selected! But...**

- RUS notified us of the award on 8/4/2010
- RUS stated CCPUD has 7 days from the receipt of the formal package to accept the award
- The formal package has not arrived

▼ **What about more time?**

- Recent discussions have been encouraging
- RUS has a deadline of 9/30/2010 to distribute the funds
- We did identify our primary legal issues during the application process

Current efforts

- ▼ **District staff is working with consultants on the financial model**
 - To determine the impact on the District's overall financials
 - To look at all possible options and each of the various impacts
 - To evaluate the impacts on our Financial Policies
 - The consultants will report to the Board on 8/23/2010

- ▼ **Negotiating the Terms and Conditions**
 - Legal update

- ▼ **Customer Survey**

- ▼ **Prepping an operational plan – Based on our past experience**
 - Determining staffing responsibilities
 - Looking at procurement timelines
 - Determining labor needs and options

Summary

- ▼ The award means ~\$25M in grant funding, ~\$8M District funding
- ▼ Build to approximately 6,800 rural premises to provide as many public benefits as possible
- ▼ Evaluating the impacts to our Financial Policies
- ▼ Legal issues with the Terms & Conditions are being negotiated
- ▼ Customer survey is being performed
- ▼ We are doing as many “no-cost” operational preparations as possible

Questions or Comments?

See <http://www.chelanpud.org/fiber> for more information