

# Fiber Topic Team

November 3<sup>rd</sup>, 2014

No Action Required

# Team Members

- Brett Hamilton - Go USA
- Ross Hurd – Lake Chelan Community Hospital
- Laura Mounter – Real Estate
- Sue Ozburn – Cashmere Valley Bank
- Pete Phillips – Ed Svcs Dist
- Guy Evans – Chelan Lookout
- Mike McComas - Construction
- Tom Boyd- Marston & Marston
- Juan Velasquez - Student
- Mike Coleman
- Jennifer Pickel
- Bob Shane
- Brian Lowe
- Shaun Seaman (facilitator)
- Brett Hammond (finance)
- Karen Wiggum (legal)

# Fiber Topic Team

- Chartered to explore a full range of options for doing more or less with the fiber system
- Team met three times over three months
  - Team chose to have longer but fewer meetings
- Staff provided background, history and details
- External members provided qualitative input
- Modeling was driven by this qualitative input
- Public comments were categorized and included
  - 117 Comments

# Options

- Sell the system
- Status Quo
- Expand the system
  - 100% expansion, 5 year build out = \$63M\*
  - 100% expansion, 10 year build out = \$63M\*
  - 95% expansion, 11 year build out = \$41M\*
  - 87% expansion, 11 year build out = \$25M\*
  - 80% expansion, 11 year build out = \$15M\*

\* Preliminary engineering estimates based on assumptions contained in the report

# Recommendation

- Topic Team recommendation to the Strategy Partners is \$25M expansion option that would increase premises passed on the primary electrical distribution system to 87%
- Further recommended to budget for planning alternative technologies to serve remaining premises where it is not viable to place fiber
- The recommendation considered initial cost, risks and ongoing operational costs while enforcing reasonable and prudent decision making