C. Executive Summary

Executive Summary of Project for BIP and BTOP:

8. Infrastructure Projects Executive Summary

A) Broadband VI is applying for a BIP Loan/Grant to accelerate our planned upgrade to our existing US Virgin Islands Internet service, from a 5 year plan, to getting it all done in one year. This will allow us to provide our customers higher speed and reliability levels, not a trivial task on a small island in the middle of the Caribbean. Key areas to be addressed include:

Speed – increase standard residential service to 2Mbps, with optional packages up to 6Mbps.

Reliability – build additional redundancy into the mid-mile backhaul network via OSPF loops (providing auto failover), dual radios at main backhaul and a second link between St. Thomas and St. Croix.

Cost – provide 4 times the bandwidth for which customers are now paying for, gain access to cheaper bandwidth from Global Crossing on St. Croix and TCP on Puerto Rico.

Sustainability – new equipment with higher reliability, BIP funding allows Broadband VI to accelerate expansion plans.

B) Broadband VI is one of the leading high-speed Internet providers in the US Virgin Islands with over 4000 customers, 3000 of whom are on St. Croix. The company was founded 6 years ago when Rick Hasson, Mike Meluskey and Jerry Smith grew so frustrated at the lack of high-speed Internet service at their homes, they decided to do something about it. The result has been a lot of very happy customers who have fueled the company’s growth through word of mouth. The acquisition of Surf VI in 2008 expanded Broadband VI's presence into St. Thomas
and St. John. The combination of Broadband VI's pioneering connectivity to Global Crossing's cable station on St. Croix together with Surf VI's unsurpassed coverage of St. Thomas and St. John has led to 6 years of self-funded profitable growth. Broadband VI was voted Best Internet Provider on St. Croix by the VI Daily News, and Small Business of the Year by the St. Croix Chamber of Commerce. We appreciate the opportunity that the BIP program provides, and
will continue to work hard to improve the quality of life for our fellow Virgin Islanders. High-Speed Internet is all we do. Being the only locally owned and operated ISP, gives us a sense of responsibility that makes us go the extra mile to provide service where other companies won't go. Our creativity in finding ways to reach customers with last-mile wireless solutions has included solar powered sites on uninhabited islands, access points on a dock boom gate, access points on houses, hotels, phone poles, and water tanks, whatever it takes to give people the option of high-speed Internet at their home.

C) The entire US Virgin Islands: St. Croix, St. Thomas and St. John will benefit from this project. All 108,000 of our fellow Virgin Islanders will directly or indirectly reap the benefits. According to the 2000 Census, there are 40,000 households and 2700 businesses, 90% of whom are within our last-mile coverage area.

D) Broadband VI provides Internet and inter-island networking service to a number of community anchor institutions, public safety entities and critical community organizations including:

Healthcare:
VI Department of Health = 9 locations on all over the 3 islands, doctors offices and residences, ambulance services, pharmacies, clinical labs, chiropractors and veterinarians

Education:
University of the Virgin Islands relies on our backhaul network for service to the St. Croix campus, we are the E-Rate provider for 6 schools, and
we give free Internet service to over a dozen private schools.

Public Safety:

VI Police,

E-911 system,
St. Croix Rescue,

Department of Public Works,

Water & Power Authority, and

the VI Port Authority are all customers

Food Distribution:

Plaza Extra (the largest super markets)

a number of smaller stores

Merchants Market

Quality Foods

Hunter Foods

E) Broadband VI plans to increase its mid-mile backhaul capacity up to ten times its current level by upgrading radio equipment from vendors we currently use, (no risk, no learning curve, existing spares inventory):

F) Broadband VI is joining the UVI Research and Technology Park and have committed to the ISP Interconnect they have planned at Global Crossing. Broadband VI provides inter-island backhaul for other carriers and will continue to offer that service to all who ask.

G) Broadband VI's network supports some ATM (to support phone circuits) but is predominately IP based. Even though Broadband VI's network is predominately an IP based
technology, we can and do support ATM. Our backhaul consists of licensed and unlicensed microwave radio shots between tower sites, access points and islands. Our last-mile connection to over 4000 customers is unlicensed 900Mhz, 2.4Ghz and 5Ghz frequencies. This project will consist exclusively of 6Ghz and 11Ghz licensed mid-mile backhaul microwave radios.
H) Broadband VI is seeking BIP funding to upgrade our existing network, rather than build a new one. We are investing in equipment which we are already using out in the field, the Alcatel MDR-8000 and the Dragonwave Horizon Compact. Our company's track record of organic growth to over 3000 customers on St. Croix, 4000 overall, 6 years of profitability, in-house Comtrain certified tower climbers, Best of the VI awards, low churn (loss of customers), and our stellar reputation make us the safest proposal in the Virgin Islands. Unlike our competition, Broadband VI is locally owned and operated; we are financially solid, not in bankruptcy; we are hiring, not laying off employees; we are increasing scope, not shutting down half of our business; and we continue to invest heavily into our people and network.

I) Overall cost of the project will be $810,000

J) Overall subscriber projections are a growth of 50% over the next three years, from 4000 to 6000 customers.

K) The number of jobs to be created will be at least (a minimum of) 6 customer service, network, and technical positions.