Executive Summary

a) Opportunity the proposed system seeks to address The Grays Harbor Public Development Authority (GHPDA) will use BTOP/CCI funds to maximize the investment created by past Governor Gary Locke in his 2000 legislation allowing PUDs authority to do wholesale resell of overcapacity of fiber networks. Current Governor Christine Gregoire has enabled and built upon that legislation with a recent study and mapping project completed for the Washington Utilities and Transportation Commission (UTC). The report issued June 27, 2008 was prepared to “evaluate broadband availability, adoption, and use in five Washington Counties” (Grays Harbor included) of which Grays Harbor County was deemed underserved. The GHPDA project will: *rapidly complete a fiber network in a rural area lacking access while leveraging 100% take rate of public safety locations across the county; *complete a countywide broadband middle mile transport to provide service to un-served areas; *provide broadband access to community anchor institutions; *Meet next gen911 use of broadband by public safety agencies; *stimulate demand for broadband, economic growth and job creation. GHPDA will extend current network to include healthcare providers, public safety providers and amateur radio, and allow for last mile access through an increased option of service providers while immediately touching key critical community facilities. The traditional pricing for telephone company transport will be reduced to metropolitan prices, eliminating traditional per mile charges. This allows last mile service providers to increase access to home users and provide immediate solutions for businesses and local governments. The project will create a long-term, sustainable costing and operational model in rural Grays Harbor which will increase employment and economic development opportunities and support long-term growth and viability through broadband adoption, added services, and reliability. This project meets the built up demand (identified during information gathering in support of project) for transport (back to data centers), transit and disaster recovery services currently unattainable in a cost effective model due to high transport and transit costs with traditional T1, DS3 and OC3 services. It will create a redundant high-speed GigE back bone throughout Grays Harbor County with multiple connection points to support reliable internet based products and services. With a large percentage of our public safety, anchor institutions and critical community agencies located within tsunami zones this is a critical project for disaster preparedness as well as job retention/creation and transport to public and private groups across the county. b) A general description of the proposed funded service areas (location, number. of communities, etc.) The proposed funded service areas for this project include Grays Harbor County; the cities of Aberdeen, Cosmopolis, Hoquiam, Montesano, Oakville, and Westport; Satsop (Census Designated Place); and the communities of Lake Quinault (Grays Harbor County) and Amanda Park (Quinault Indian Reservation). Grays Harbor County is a rural county with a population of 70,800
(37.3 persons/sq. mile) ranking 15th in geographic size among the 39 Washington State counties. The median age is 38.8, and median household income is $34,160 with 11.9% of all households living below poverty level. Median household income in Grays Harbor County is 77% of the state average. Current unemployment rate is 13.4%. Natural resource based jobs (forest products, fishing- clams/oysters, agriculture, and food products), once the backbone of the community, are disappearing at an alarming rate. Timber harvests and related forest-products jobs have decreased dramatically over the last 20 years. Fishing and related industries have experienced severe set backs as a result of curtailments, declines in fish populations and regulatory issues. Grays Harbor is struggling to develop new growth in high tech industry with joint efforts between agencies like the Grays Harbor Public Utility District and the Grays Harbor Public Development Authority. c) Number of households and businesses passed GHPDA Middle Mile Project direct spans and service areas include approximately 34,752 households with a total population of 71,200 persons and 1,880 businesses. d) NUMBER OF COMMUNITY ANCHOR INSTITUTIONS, PUBLIC SAFETY ENTITIES, CRITICAL COMMUNITY ORGANIZATIONS ' GHPDA Middle Mile Project direct spans and service areas include approximately 234 of these agencies. At build out the project supports the last mile service area of the entire county which includes approximately 351 of these agencies. e) PROPOSED SERVICES AND APPLICATIONS - GHPDA will offer transit, transport and inter-office transport, internet connectivity,. Users include a built up demand from hospitals, healthcare providers, public safety providers, amateur radio, local governments, schools and last mile service providers who want to provide increased services in un-served/underserved areas. The built up demand that has been identified with providers ready to service last mile customers (i.e. Grays Harbor Community Hospital, Educational Service District 113, Port of Grays Harbor, E911), creates a sustainable long-term operation. f) APPROACH TO ADDRESSING NON-DISCRIMINATION AND INTERCONNECTION OBLIGATIONS - The applicant (GHPDA) currently owns, operates, and maintains middle mile broadband infrastructure and colocation facilities that are accessible to public, private, and non-profit entities. The GHPDA is an equal opportunity provider and complies with the FCC Policy Statement 05-151 in offering open access and interconnections for services, network providers, and content providers across the GHPDA operated network. g) TYPE OF SYSTEM DEPLOYED - GHPDA will offer an IP based, MPLS core network migrating from native Ethernet transport to IP. Physical layer uses wavelength multiplexing (industry standard CWDM using IEEE assigned frequencies) to allow for legacy equipment and to allow for partnering with groups not wishing to introduce additional organizations into the network layer. The design drives down fiber costs and supports multiple requirements for public safety as well as utility districts while keeping in mind 100Mb service provider handoffs to support the last mile deployments. The system meets today's needs and scales into the future while driving down ongoing fixed monthly fee costs to support our sustainable business model. h) QUALIFICATIONS OF THE APPLICANT - GHPDA currently owns and operates a broadband network including over 100 miles of middle mile infrastructure and services supporting a customer base of schools, financial institutions, public organizations, and private corporations. GHPDA offers dark fiber, transport, and VLAN services to public and private entities in Grays Harbor County as well as providing colocation services and internet access to GHPDA tenants. GHPDA maintains sales staff, maintenance personnel and billing systems to support the proposed Middle Mile Project extension to existing service areas. i) OVERALL INFRASTRUCTURE COST- $16,700,000 including engineering, consulting, physical plant, fiber, and equipment. j) OVERALL EXPECTED SUBSCRIBER PROJECTIONS - The GHPDA has subscribers (service providers) who have
developed a sustainable project through built up demand including ready to execute contracts (upon grant funding) for this middle mile project. The expected subscriber projections include 10 - 15 major employers in Grays Harbor County supporting thousands of jobs. Over the next 2 years service providers anticipate adding about 200 new broad band customers through last miles projects that would not be served without this middle mile project. k) NUMBER OF JOBS CREATED/SAVED ' The number of jobs estimated to be created or saved includes construction, technical, marketing, and network management positions. Direct job creation/retention includes: *Techline.com - local internet service provider, located in a federally designated Historically Underutilized Business Zone (HUB zone); 2 new hires. *TechTell - local 24/7 Network Operation Center, located in HUB zone; 5 local Full Time and 7 new hires. *WindVentures - located in HUB zone; 2 new hires *Grays Harbor Public Development Authority - located HUB zone; 1 retained, 1 new hire. *OnTrendMarketing ' 2 new hires. During round 1 funding the PDA proposal was selected, by the Governor, as one of the top 10 projects coming out of Washington State. Upon review by the BIP/BTOP groups it was kicked out due to a missed "grant match waiver form".