

# Jefferson County PUD

## NoaNet Update

May 24<sup>th</sup> 2016



# Topics of Discussion

- \* Cash Flows
- \* Capital projects (eliminate wireless infrastructure)
- \* BTOP Obligations
- \* Termination of O&M Agreement
- \* Next Steps

# Cash Flows Update

				<b>Monthly</b>	<b>Annual</b>
Revenue				\$19,667	\$209,002
NCS				\$(3,000)	\$(36,000)
Maintenance				\$(2,067)	\$(24,807)
Operations				\$(6,500)	\$(61,161)
Internet Feed				\$(200)	\$(2,400)
Colocation				\$(754)	\$(9,050)
Tower Space Rental				\$(4,690)	\$(56,280)
<b>Net Cash</b>					<b>\$19,305</b>

# Capital Projects (eliminate wireless)

Projects	Costs	Expense Reduction	New Expense	ROI (years)	Description
Port Townsend – WSU Extension	\$2,500	Annual - \$6K – requires elimination of the wireless network	None		Build a drop off the of the existing fiber cable to the WSU Extension and eliminate the wireless shot from Intellicheck tower to WSU.
Quilcene – Build 7/10 <sup>ths</sup> mile fiber	\$25K to \$45K for build; ~\$35K Mt. Craig site removals	Annual - \$12.5K Mt. Crag site lease and \$15K for site maintenance	\$250/month School Colocation	2	Build fiber from the Quilcene School to 4 locations in Quilcene for the Fire Station, Fire Admin, Community Center and Transfer Station.
Brinnon Reroute	~\$50K to establish new M/W route	Annual - \$5,400	None	9.2	Turn 2 services over to Enterprise Wireless this fall once a tower is completed that will be utilized for the Brinnon Community Center and the Brinnon School.
Estimated Total Expense Reduction		~\$75K per year			This would be for site leases and O&M expense.

# BTOP Obligations

**Project Purpose: BTOP project funding is intended to accelerate broadband deployment in unserved and underserved areas, supporting strategic institutions that are likely to create jobs or provide significant public benefits.**

- \* Federal Audit for 2014
- \* Operate under open access and non-discriminatory principles
- \* Properly and efficiently administer and operate and maintain BTOP funded assets operations through the useful life of the assets
- \* Honoring existing contracts with community anchor institutions
- \* Utilize and operate the BTOP assets for the purpose intended
- \* Maintain UCC-1 Reporting and Covenants of Purpose, Use and Ownership

# BTOP Obligations Cont.

- \* Maintain easements and rights of way, assuring they are "in effect"
- \* Maintain appropriate insurances on the federally funded assets
- \* Ensure adequate financial management systems are in place
- \* Ensure adequate tracking and inventory management systems are in place
- \* Administer and report any sale, transfer of conveyance of assets
- \* Communicate with the community (The community, including Jefferson County EDC, Jefferson County and Public Safety who all contributed the in-kind value to achieve this grant and it's assets and have vested interest in the outcome of the funded assets (Project) and should be informed if any material change is intended with regard to the future use of the assets.

# Termination of O&M Agreement

## \* **Utility Responsibilities**

- \* Termination letter based on convenience
- \* Execute NCS agreement
- \* Rate structure approval
- \* System expansion projects

## \* **NoaNet Responsibilities**

- \* Termination letter based on convenience
- \* Execute NCS agreement
- \* Assign MSA's to JPUD
- \* Assign Contracts to JPUD
- \* Transfer all OSP information

Questions?