

To: Gunnison City Council

From: Mike Lee – Systems Administrator

Date: July 9, 2015

Subject: Region 10 – Broadband project

Region 10 has been contracting with NEO Fiber to create a Broadband Blueprint for Region 10. NEO Fiber has identified possible fiber and new routes to use to bring additional bandwidth the communities in Region 10.

Phase 1 of the implementation plan has been submitted for grant funding to DOLA. Phase 1 will use the DMEA power network and existing dark (unused) fiber to connect a Grand Junction CNL (Carrier Neutral Location) to the “Anchor Locations” in Delta and Montrose Counties, including entities in Cedaredge, Crawford, Delta, Hotchkiss, City of Montrose, Olathe, Paonia. Phase 1 also intersects the substation needed for the WAPA/Tri-State line coming to Gunnison. The Phase 1 project is \$9,946,713; with the DOLA grant paying 50% and “Anchor Locations” paying the matching funds.

Phase 2 of the implementation envisions using the WAPA/Tri-State lines existing dark fiber and the feed to the Gunnison Valley. It also includes the building/installation of fiber to the “Anchor Institutions” in the City of Gunnison, County buildings with in the City, Crested Butte, and Mt. Crested Butte. Crested Butte and Mt. Crested butte would be serviced by leasing fiber from Gunnison to feed the north end of the valley. Phase 2 is broken into 4 projects, the Gunnison Project is \$2,742,606. For the DOLA grant application to be submitted the 4 Gunnison “Anchor Locations” would need to submit preliminary match commitments, see attached email from Michelle Haynes of Region 10.

Known issues with Phase 1 & 2 projects:

1. WAPA/Tri-State agreeing to Indefeasible Right of Use (IRU) of their dark fiber.
2. Perfecting right of ways (ROW) to use the electric ROW (owned by DMEa/Tri-State/WAPA) for commercial communications traffic.
3. Senate Bill 152 - SB05-152 prohibits most uses of municipal or county money for infrastructure to improve local broadband service, without first going to a vote of the people. Recommend that the City consider this for the next election with or without this project.
4. DMEA – possible entrance into the ISP business in their Delta and Montrose COOP servicing areas.