REQUEST FOR STATEMENTS OF QUALIFICATIONS AND PROPOSALS

PROJECT DESCRIPTION

The City of Potlatch, Idaho is soliciting proposals from qualified firms for assistance in the following:

DESIGN, BUILD, OWN, AND MANAGE A BROADBAND FIBER SEGMENT FROM PALOUSE, WASHINGTON TO POTLATCH, IDAHO FIBER SEGMENT TO SERVE THE CITY OF POTLATCH BROADBAND PROJECT FOR PUBLIC HEALTH, SAFETY, GOVERNMENT, AND DISTANCE LEARNING

SCOPE OF WORK

The City of Potlatch is seeking proposals from private for-profit internet service providers to provide all services, equipment and construction to deploy, own and operate a open network fiber segment to serve six public facilities in Potlatch, Idaho. A copy of project concept (grant application) is provided in **Attachment A.** All proposals will be evaluated based on how well the proposal addresses the need and the scope of work as described in Attachment A.

Project requirements include:

- The System must meet the minimum requirements of the grant (10000 Mbps/1000 Mbps).
- The System must provide a 48-strand fiber path within the City of Potlatch to accommodate all public facilities identified in this project.
- The System must provide service to these locations: Potlatch Jr.-Sr. High School (130 6th Street), Potlatch Elementary School (510 Elm Street), Potlatch City Hall & Latah County Sherriff's Office (195 6th Street), Latah County Library Potlatch Branch (1010 Onaway Road), Potlatch Family Care-Gritman Medical Center Clinic (156 6th Street) and Potlatch Rural Fire District (515 Pine Street).
- The System must provide public WiFi at Scenic Six Park in Potlatch, Idaho be able to serve 100 or more people with a minimum of 25Mbps/3 Mbps.
- The System may be used by the awardee to service their customers; however, the awardee must also offer standard and transparent pricing for use of the System. Five-year pricing information for public facility customers listed in this RFP is anticipated as well as retail/commercial and ISP pricing information to extend service.
- The project must be completed and operable by December 15, 2020.

The project would be funded through the state of Idaho Broadband Grant Program (funded by an allocation of the federal CARES Act). As such the goals of the broadband project is to address key areas of public health and safety by

improving opportunities to telework, facilitate distance learning, and improve public safety. Award announcement is anticipated by September 4, 2020.

The successful firm will be required to comply with all Idaho state building statutes, such as Idaho Public Works contractor licensing (Idaho Code Title 54, Chapter 19), purchasing by political subdivisions (Idaho Code Title 67, Chapter 28) and any county ordinances related to planning and building.

The firm must be sufficiently bonded and insured. The selected firm will be required to provide performance and payment bonds, each for 100% of the contract amount, issued by a surety company authorized to conduct business within the State of Idaho. The selected firm will also be required to supply evidence of insurance coverage (worker's compensation, contractor's public liability and property damage, and contractor's vehicle liability) and to ensure that subcontractors do not commence work until the subcontractors' insurance requirements have been met.

The City of Potlatch is exempt from sales taxes; however, per Idaho statutes, the contractor is responsible for sales tax on materials used within the project.

PROPOSAL CONTENT AND EVALUTION

The proposal must be organized in sections containing the following information, and evaluated according to these criteria:

Capability to Perform Project The firm's history, areas of expertise, address of office that will manage project, length of time in business, firm's legal structure, firm's commitment to provide necessary resources to perform and complete project. (15 pts)

Relevant Project Experience Description of other projects executed by the firm that demonstrate relevant experience. List of all Idaho public sector clients for whom you have provided services or performed similar work in the past five years, which should include name, address, and phone number of a person who can be contacted regarding the firm's performance on the project. (20 pts)

Qualifications of Project Team Resumes for the key people assigned to the project including sub-consultants. Key personnel roles and responsibilities on this project. Identify project manager who will be responsible for the day-to-day management of project tasks and will be primary point of contact. (20 pts)

Benefits of the Project to the Community Served: A description of how you will ensure that the customers (current public facilities and future customers) will be served over the lifespan of telecommunications investment. The responder shall provide a concrete, measurable response including a pricing model over a five-year period for all customers served by this project (public facilities and future ISP and commercial/retail customers), given the project is 100% grant funded. (25 pts)

Project Approach and Schedule The tasks that must be accomplished to complete the project. How the firm proposes to execute the tasks. Unique aspects of the project and alternative approaches the owner might wish to consider. (20 points)

PROPOSAL DEADLINE

Proposals **must** be received no later than 12:00 PM (PDT) September 11, 2020 by email to Christine Frei, Executive Director, Clearwater Economic Development Association at cfrei@clearwater-eda.org. Email file size delivery cannot exceed 10 MB. Proposal should be titled **"Broadband Proposal: City of Potlatch."**

SELECTION CRITERIA

Proposals will be evaluated on the criteria listed above.

Selected references may be contacted. The City may conduct other investigations as the City deems necessary to assist in the evaluation of any proposal and to establish the responsibility, qualifications, and financial ability of the design-build firm or team.

The City of Potlatch will seek to negotiate a contract, a detailed scope of work, fee schedule, etc. with the preferred firm.

This solicitation is being offered in accordance with OMB Circular A-102 and the Idaho statutes governing procurement of professional services. The City of Potlatch reserves the right to negotiate an agreement based on fair and reasonable compensation for the scope of work and services proposed, as well as the right to reject any and all responses deemed unqualified, unsatisfactory or inappropriate.

State of Idaho Public Broadband Grant Application Public Safety/Local Government

Applicant	Judi Davis
Applicant ID	APP-004124
Company Name	Potlatch
Recipient Address	Potlatch NA (located in former Potlatch Corporation office building) Potlatch, ID 83855
Phone	(208) 875-0708
Email	potlcity@potlatch.com
Amount Requested	$621,813.14
Status	Submitted
Funded	☐

Application Title: City of Potlatch Broadband Project for Public Health, Safety, Government, and Distance Learning

Applicant Information

NOTICE: Grant applications, challenges, and responses to challenges will be posted to the Idaho Department of Commerce website

Purpose:

The CARES Act funding received by the State of Idaho will fund projects across the state that create and retain local jobs and result in purposeful outcomes, including distance learning, telehealth public safety, commerce, and overall well-being. This CFAC Broadband Grant initiative grant program (the “Program for Public Safety and Local Government”) is designed to meet the CARES Act criteria, and help Idaho rebound from the COVID-19 Emergency. Approximately 20% of the total of $50 million received by the Idaho Department of Commerce will be allocated to this program aimed at public safety organizations and local governments that lack access to broadband.

• **Projects must be completed and grant funds requested and dispersed before December 15th, 2020.**

Question: Contact information of applicant: Name Title Mailing Address City/Zip Email Phone

David Brown, Mayor, City of Potlatch, PO Box 525, Potlatch, ID 83855-0525, potlcity@potlatch,com, 208-875-0708

Question: List the cities/communities where the project(s) will take place.

Potlatch, Idaho

Question: Enter the zip code(s) where the project will take place.

83855-0525

Question: Enter name and title of designated grant administrator

Christine Frei, Executive Director, Clearwater Economic Development Association, Inc. (CEDA)

Question: Enter the email of the designated grant administrator

cfrei@clearwater-eda.org

Question: Enter the phone number of the designated grant administrator

cell: 208-305-2519 or work: 208-746-0015

Project Requirements

PROJECT REQUIREMENTS

- Be infrastructure investment, associated equipment, and accessories related to broadband capable of speeds of 1,000 Mbps download and 1,000 Mbps upload symmetrical.
- Be related to broadband with fiber to:
  - One (1) designated government facility: and
  - One (1) location for public Wi-Fi access where 100 citizens could simultaneously access minimum broadband speeds at 25 Mbps download and 3 Mbps upload while practicing physical distancing. Examples of locations include a municipal building parking area or a municipal park.
- Meet the CARES Act criteria, which is designed to address key areas of public health and safety by improving opportunities to telework, facilitate distance learning, and improve public safety.
- Be a project that does not overbuild existing broadband infrastructure at the required speeds to a local government facility for public safety and local governance.
- Applicants may own and maintain the infrastructure but make such infrastructure open and available for broadband service from only for-profit companies, or membership owned cooperative corporations as defined in Idaho Code Title 30, Chapter 30 that provide broadband services to the services to the public.
- Be completed, operable, paid for, and submitted to the Idaho Department of Commerce for payment no later than December 15, 2020.
- Include broadband infrastructure and equipment costs meeting CARES Act criteria. Satellite service is not eligible for grant award.

Question: Does your project meet the CARES Act criteria?

- [x] Yes
- [ ] No

Question: Project provides a minimum of 1,000Mbps download and 1,000Mbps upload symmetrical to public facility and access by citizens in municipal park or parking area where a minimum of 100 citizens could have access simultaneously at 25Mbps download/3Mpbs upload.

- [x] Yes
- [ ] No

Question: Does your project provide high speed service within the applicant's proposed facility for public safety, local governance, and or one (1) open access municipal location nearby for public access for emergencies.

- [x] Yes
- [ ] No

Question: Applicants may own and maintain the infrastructure but must make such infrastructure open and available for broadband service from only for-profit companies, or membership owned cooperative corporations that provide broadband services to the public.

- [x] Yes
- [ ] No

Question: I understand that the State of Idaho will provide no funding and have no obligations for projects that fail to be completed by December 15, 2020.

- [x] Yes
- [ ] No

Scored Criteria

Question: Provide an overview of the project including why the project is important and will address broadband needs of the community.

Potlatch seeks to construct a fiber path extending into town from the western city limits through the central part of town along State Highway 6 (6th Street). It will be a 9.4 mile, 48-strand fiber path from a point of presence from the nearest community of Palouse, Washington. Most fiber will be installed underground.

The project will build fiber to six public facility locations and services will be in place by December 15, 2020. The City is currently underserved and does not have available internet service at the level needed to meet current community demands.

The project is important because it will address needs that the City was working on before the COVID-19 pandemic exemplified by a 2018 Fiber-to-the-Premise (FTTP) planning report. The pandemic has clearly illuminated the realities of an inferior telecommunication system. This project will significantly improve access, reliability, and dependability for telehealth, distance learning, public safety, and local government where service needs through telecommunication have significantly increased. Eventually, it will serve businesses and residents through FTTP leading to remote work opportunities and local job creation.

Each public facility receiving two (2) strands of fiber. Fiber will be fed into a fiber distribution panel (FDP) in the designated MDF (main distribution frame) location. Equipment will be installed in each MDF terminating the fiber. A SPF+ (Shortest Path First) or Copper handoff will be provided to each entity's network equipment. The fiber will meet the requirements of 1000Mbps/1000Mbps at each entity. The fiber internet can be scaled beyond 1000Mbps/1000Mbps upon request. In addition, the project will also have public WiFi provided at Scenic Six Park and will easily serve 100 or more residents.

There are at least two, ISPs that can provide service, technologies, equipment, installation, and operate the new broadband service. Through a Request for Proposal (RFP) process, the City of Potlatch shall procure an ISP to construct the broadband and operate the service. The City of Potlatch shall require that the new fiber line is open and available for other service providers to lease from the selected ISP.

The City of Potlatch is working from a 2018 Feasibility Study that was completed for Fiber-to-the-Home (FTTH). Currently, the City of Potlatch has services provided by at least two ISPs. According to a 2018 Feasibility Analysis, the incumbent broadband provider advertised that it provided "up to" 6 megabits per second (MBps) of service. A licensed and unlicensed microwave wireless internet presence is also provided. The public entities in this project currently have microwave internet service.

This project serves public safety, distance learning, healthcare, and local government. It is critical to address current communication constraints that are extremely challenging because of the COVID-19 pandemic. See commitment and support letters for detail.

Question: Is your project in an area where no local government facility has the internet speeds and bandwidth described 1000 Mbps download and 1000 Mbps upload symmetrical?

☑ Yes

☐ Yes

Question: Is your project in an area where no public park, municipal parking area, or similar access area for physical distancing has broadband speed to support 100 citizens at 25 Mbps download and 3 Mbps upload?

☑ Yes

☐ No

Question: Is the project in a town/city/municipality of less than 3,000 people?

☑ Yes

☐ No

Question: Does the project address a need as identified in a local or regional broadband plan? If yes, please describe.

The project 1.) It addresses the City of Potlatch's 2018 Comprehensive Land Use Action Plan (Chapter 19, Table 2) by increasing "telecommunication capacity to ensure an adequate system for institutions, businesses, and the citizens of Potlatch." 2.) The project supports the Clearwater Economic Development District's (including Latah County) 2019-2024 Comprehensive Economic Development Strategy found in Chapter 4 on page 7 of the CEDA website at: www.clearwater-eda.org . This fiber construction uses "public/private partnerships leading to broadband infrastructure and deployment." 3.) The project is documented in the 2018 Feasibility Analysis: Fiber-to-the-Premise Broadband Network report completed by an independent broadband engineering firm. The planning document determined the conceptual design and feasibility of a fiber-to-the-home build. The design concept (p. 5) is for n "FTTP network consisting of a network core, backbone cabling distributing service throughout the commun

Question: Will this project be in conjunction with another broadband grant for Households?

☐ Yes

☑ No

Additional Requirements

Upload Supporting Documents for scope of project including maps, site plans, studies, or photographs, demonstrating the location of the project.

Project Attachment Templates:
CARES Act Certification
Grant Budget Template

Project Schedule Form
Letters of Support/Community match template

Question: Estimated total project cost?

621813.14

Question: List the underserved and unserved community facilities (schools, libraries, government offices, hospitals, public safety, etc.) within the proposed project area.

The project will construct fiber to the Potlatch Jr.-Sr. High School (130 6th Street), Potlatch Elementary School (510 Elm Street), Potlatch City Hall & Latah County Sherriff's Office (195 6th Street), Latah County Library Potlatch Branch (1010 Onaway Road) , Potlatch Family Care-Gritman Medical Center Clinic (156 6th Street) and Potlatch Rural Fire District (515 Pine Street).

Question: What is the maximum broadband speed that will be provided by the project?

Our project will meet the 1000Mbps/1000Mbps minimum requirement for each government entity.

Question: Are permits, permissions, rights of way and zoning requirements readily available in order for the project to be completed and paid for by December 15, 2020?

This process was taken into consideration when determining if this project could be completed before the proposed deadline of December 15th, 2020. The City of Potlatch will ensure that all necessary right-of-way, zoning requirements, and permits essential to the project are obtained and made readily available prior to construction of the project. The contractor will obtain the necessary franchise permits with the City of Potlatch and City of Palouse. Since a significant amount of the project will be underground. The installation contractor will obtain the Highway permits required.

Question: If answered no in previous question, please describe. If the project does not require any of the above answer N/A.

N/A

Question: Describe how the project will be administered, audited for completion, and accounting performed.

The City of Potlatch will be 100% responsible for the oversight of the project. Mayor David Brown will act as the project manager with Clerk-Treasurer Judi Davis managing the communication and fiscal side of the project. The Potlatch City Council will approve any expenditures and the request for funding. The City of Potlatch will work with Clearwater Economic Development Association (CEDA) Executive Director Christine Frei who will provide grand administration services (at no charge to the grant program or the City of Potlatch). CEDA will work with the City of Potlatch and an independent telecommunication engineering contractor to develop a Request for Proposal (RFP) to select an ISP for the project. The process will meet Idaho State Statutes and grant requirements. The cost of the use of the engineering firm will be covered by CEDA. The RFP will be advertised in the City's paper of record. A selection committee representing the public entities benefitting from the project will review proposals, interview if deemed important, and make a recommendation to the Potlatch City Council. After

an award is made, the City of Potlatch will execute a contract with the ISP that meets the scope of work and grant requirements. Mayor Brown will host monthly project meetings to ensure the project is on schedule and will work with the ISP to address issues as they arise. Christine will work with the City of Potlatch to submit required reports and the final request of funds. The City of Potlatch's ISP Selection Committee will meet with the ISP at the end of the project and visit the premise of each benefitting entity to ensure their broadband service is operational and that contracts for service are in place. The audit will be complete prior to the funding request and final report is complete.

Question: Include any other information regarding why your project should be considered for funding.

The City of Potlatch recognizes that there many needs across the State of Idaho and truly appreciates this opportunity to address our needs that have becomes even more real since the COVID-19 pandemic. We hope that you take into account the City of Potlatch's realism and preparedness to take on this project. Our realism is exemplified by the scaled back project. We know we can meet the December 15 deadline with this project as it is designed. We also know that it leaves us to continue to work with the selected ISP to complete a full FTTP project. We are confidant that with the right partner this can be accomplished within a relatively short period of time. Second, we have the community plan and partnerships in place. Our need and design for this project is concretized in three planning documents. Since the 2018 feasibility study was completed, City representatives have met and communicated with the local ISPs to see how this project could get done. We have even considered public ownership. Without a grant, the capital investment for an ISP is too great of risk. This is the reason why this project is still not done even though we have a credible feasibility study that demonstrates that it could be possible under the right conditions. Third, we are going to ensure that public funds spent on our project are going to provide for an open access network where not only the ISP that is awarded the project benefits, but other providers may lease fiber. The City of Potlatch sees that this requirement ensures that public funds will be used for public benefit and provide for private industry competitiveness in the future. The City of Potlatch would like to leave you with a few comments coming directly from our commitment and support letters. ""Since we (Gritman Medical Center) operate a health clinic in Potlatch, the prospect of reliable, cost-effective, high speed internet allows for access to electronic health records, medical images, and medical resources that can make all the difference when providing care to the residents of Potlatch and the surrounding rural area. Perhaps most importantly, the prospect of high-speed internet to the home will allow medical care to be provided using telehealth technology, improving access to care for your while keeping healthcare costs down." Kara Besst, Gritman Medical Center "The Potlatch Public Library provides free internet access to local residents through public computers and a 24/7 wireless network. A fiber internet connection would greatly enhance this service.," says Chris Sokol, Latah Cunty Library District. "The need for an optic fiber delivery system in our community is way overdue. Our current connectivity systems are spotty at best… I want our students to have an equal chance to be successful, have access to the same "tools", and be able to participate on "an even playing field, as those students that are at neighboring districts like Moscow and Pullman." Jeffrey A. Cirka #285 Hiedi Carpenter with Potlatch School District #285 summarizes the impact with… Most of the families earn just enough to get by at jobs that they commute to in surrounding bigger cities, and often come home to work late farming their own properties for the added income. Bringing a wired broadband solution into our community would provide so many opportunities for our town. Self-employed and small business owners would have access to expand the efficiency and productivity of their ventures. Moms and Dads working away from home would have the added security of communication with their kids and elderly parents who are home alone. Students would have access to a world of educational resources, and access to work from home on their studies. Access to books that are not in our

small-town library, access to doctors that are not in our small clinic, and access to jobs that are only online are just a few more reasons that Potlatch needs a wired broadband solution.

Question: Upload Supporting Documents for scope of project including maps, site plans, studies, or photographs, demonstrating the location of the project.

City of Potlatch Fiber Project-Supplemental to Question 12.pdf (7/14/2020 6:00 PM)
Potlatch FTTP FinalReport.pdf (7/14/2020 12:34 PM)
City of Potlatch Fiber Project-Location & Project Layout.pdf (7/14/2020 12:33 PM)

Question: Upload the completed Grant Budget Template for the project that outlines the various costs.

City of Potlach Fiber Project- Budget.pdf (7/14/2020 12:35 PM)

Question: Complete the Project Schedule Form

City of Potlatch Fiber Project -Time Schedule.pdf (7/14/2020 12:36 PM)

Question: Include any Letters of Support or Community Match from the community.

City of Potlatch Fiber Project- Support Letters.pdf (7/14/2020 12:36 PM)

Question: Provide a copy of your Community Broadband Plan if applicable.

City of Potlatch Comp Plan-092418.pdf (7/14/2020 1:01 PM)

Question: Provide a notarized CARES Act Certification that this project meets the CARES Act criteria.

City of Potlatch Fiber Project- CARES Act Certification.pdf (7/14/2020 12:41 PM)

Question: Provide commitments from community anchor institutions or public safety networks which will utilize your service if the project is funded.

CIty of Potlatch Fiber Project-Commitment Letters.pdf (7/14/2020 12:41 PM)

Question: Map of the project area demonstrating the insufficient availability of broadband service for a public facility symmetrical service and in the proposed public service area for 100 citizens using minimum service.

City of Potlatch Fiber Project -Insufficient Availability.pdf (7/14/2020 5:58 PM)

Question: Map of the project area which includes the public facility and public service area, the broadband speeds provided, the fiber, and the technology used to provide the services.

City of Potlatch Fiber Project- Public Facility Locations.pdf (7/14/2020 5:59 PM)

Signature

Your identity has been authenticated through the login process with a unique email address and password available only to you. You agree that by typing your name, title and date below, you are electronically signing the application. By electronically signing the application, you acknowledge and represent that you understand and accept all the terms and conditions stated within the application and declare that the information provided is true and that the documents you are submitting in support of your application are genuine and have not been altered in any way.

Question: Type your name.

Mayor David Brown

Question: Type your title.

City of Potlatch

Question: Type the submission date.

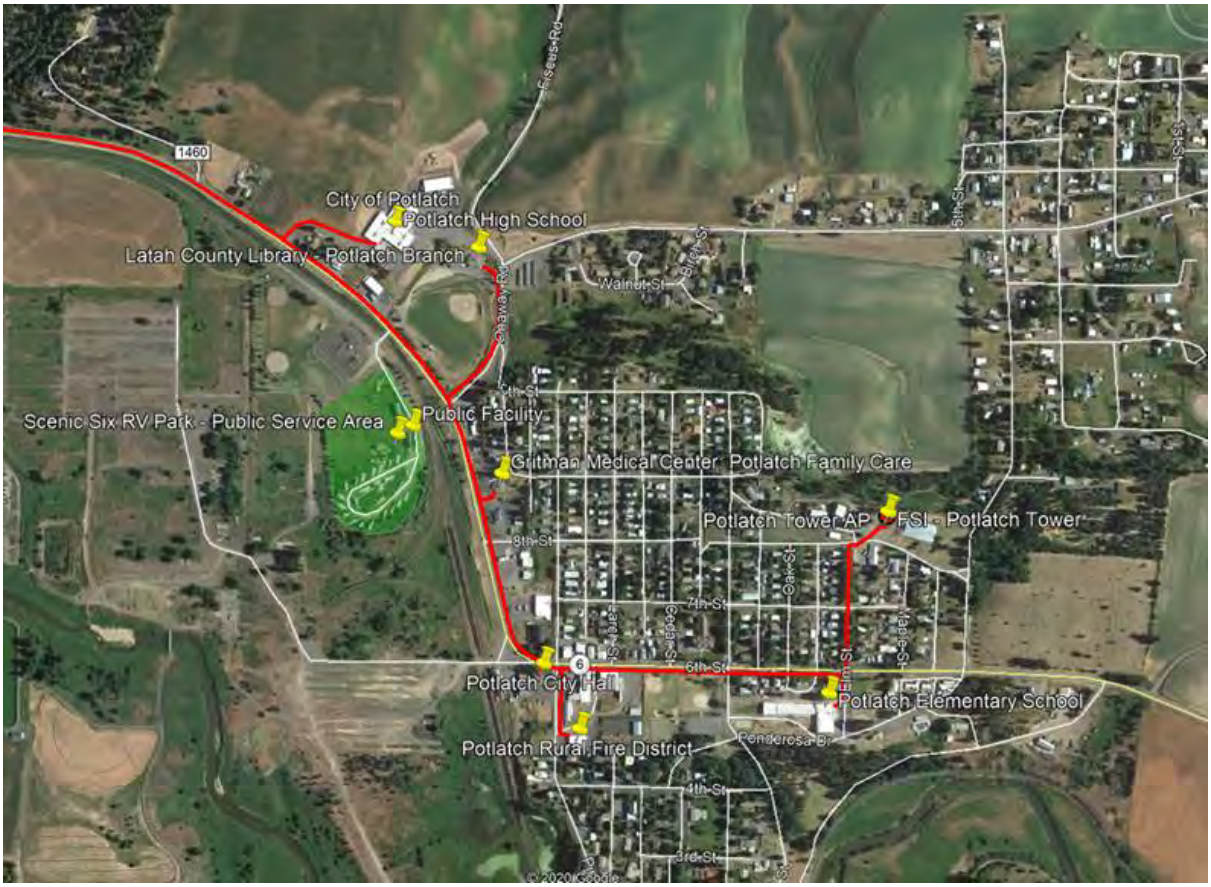
July 14, 2020

City of Potlatch

Public Facility Location and Proposed Speeds and Fiber

These facilities with have 1000Mbps/1000Mbps. Public WiFi iwill be available at Scenic Six Parkt at the same speeds for up to 100 people. All will be provided with a fiber connection (2 strands to each facility).

Potlatch Jr.-Sr. High School (130 6th Street), Potlatch Elementary School (510 Elm Street), Potlatch City Hall & Latah County Sherriff's Office (195 6th Street), Latah County Library Potlatch Branch (1010 Onaway Road) , Potlatch Family Care-Gritman Medical Center Clinic (156 6th Street) and Potlatch Rural Fire District (515 Pine Street).

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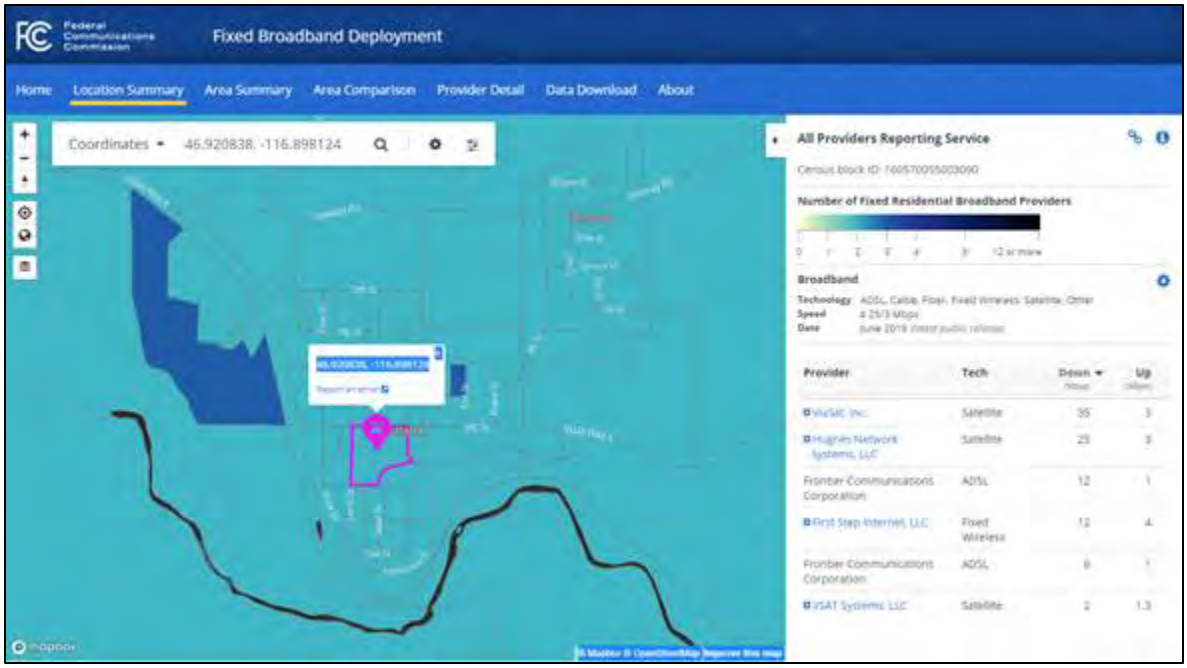
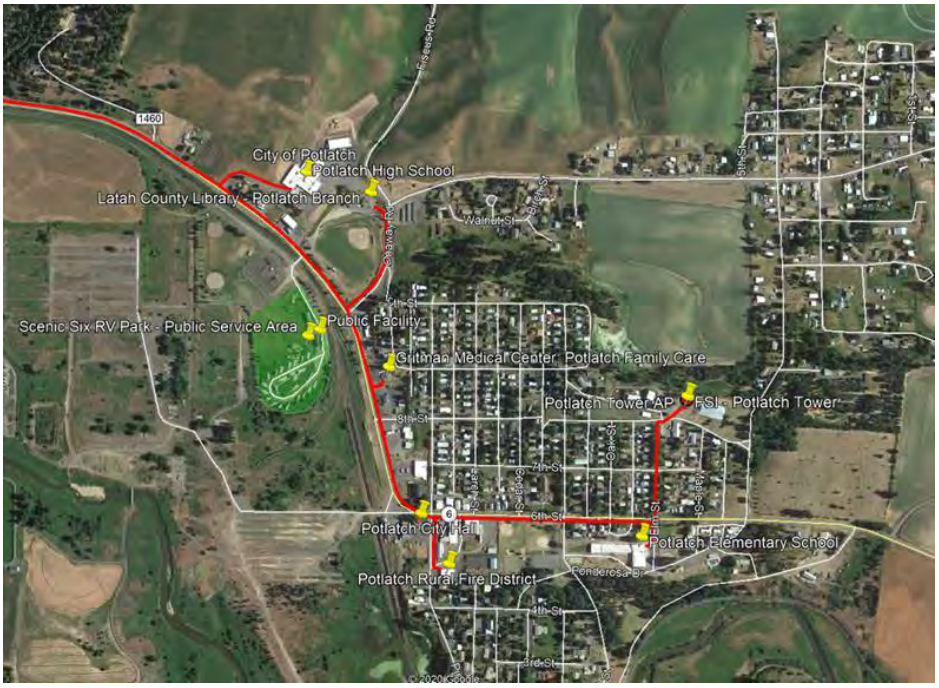
6
City of Potlatch
First St
First Step Internet Point of Presence
27
272
Palouse Grade Rd

City of Potlatch

Service Providers and Speeds

https://broadbandmap.fcc.gov/#/location-summary?version=jun2019&place_name=Potlatch,%20Idaho,%20United%20States&lat=46.921&lon=-116.8988&tech=acfosw&speed=25_3&vlat=46.92310932668275&vlon=-116.89847256730638&vzoom=14.364046811184265





Idaho CARES Act Broadband Grant Budget

Line Item	Grant Dollars				Total
Permitting	$ 2,500				$ 2,500
Equipment	$ 35,300				$ 35,300
Construction	$ 24,200				$ 24,200
					$ 0
Totals	$ 62,000	$ 0	$ 0	$ 0	$ 62,000

City of Potlatch, Idaho

State of Idaho Broadband Grant
CARES Act Certification

STATE OF IDAHO, CITY OF POTLATCH

The undersigned, David Brown, representing City of Potlatch 195 6th Street, Potlatch, ID hereby swear (affirm) that:

1. I am Mayor of the City of Potlatch and thereby authorized to make these statements.

2. I have personal knowledge of the facts herein and can testify completely thereto.

3. The purpose of this statement is to assure the Idaho Department of Commerce that the project will meet the CARES Act Criteria. Eligible expenses meeting the criteria include:

i. Expenses to address key areas of public health and safety that have been impacted by the COVID-19 pandemic, by improving opportunities to telework, facilitate distance learning, and improve public safety.

ii. Expenses to improve opportunities to telework, facilitate distance learning and healthcare services, and improve public safety.

This proposed broadband project will meet these criteria by connecting to a fiber network and providing broadband capable speeds of 1,000 Mbps download and 1,000 Mbps upload (symmetrical) from the school district offices through the commercial district, and to the elementary school providing services to the school district, health clinic, city hall, and fire station and providing a last mile fiber backbone in town where future services can be provided to the businesses and households.

David Y Brown — 7/8/2020

Signature — Date

SUBSCRIBED AND SWORN before me on this 8 day of July, 2020

JUDI DAVIS NOTARY PUBLIC Comm No. 61848 STATE OF IDAHO

Judi Davis

Notary Public for Idaho

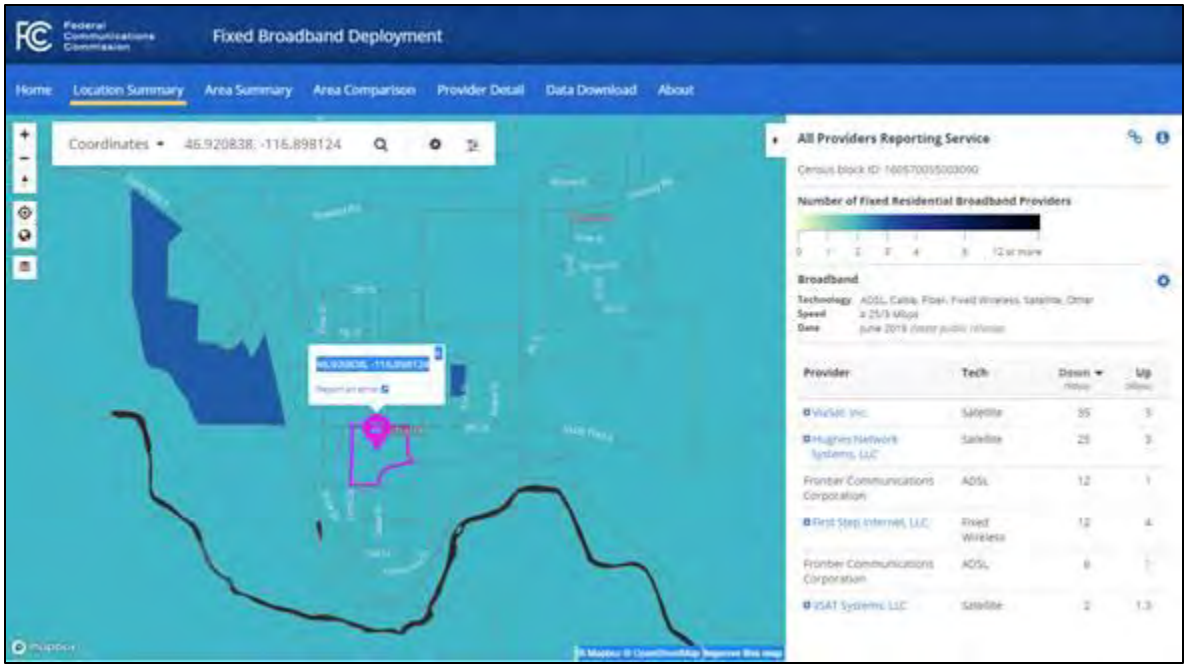
Residing at Moscow

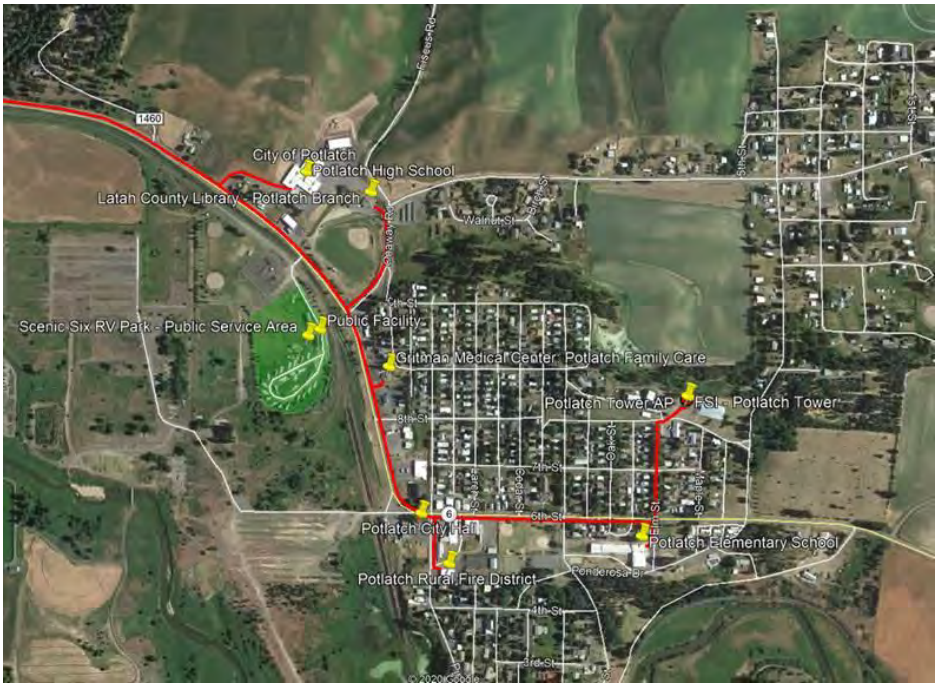
Commission expires 7/5/2025

City of Potlatch

Service Providers and Speeds

https://broadbandmap.fcc.gov/#/location-summary?version=jun2019&place_name=Potlatch,%20Idaho,%20United%20States&lat=46.921&lon=-116.8988&tech=acfosw&speed=25_3&vlat=46.92310932668275&vlon=-116.89847256730638&vzoom=14.364046811184265





City of Potlatch

Public Facility Location and Proposed Speeds and Fiber

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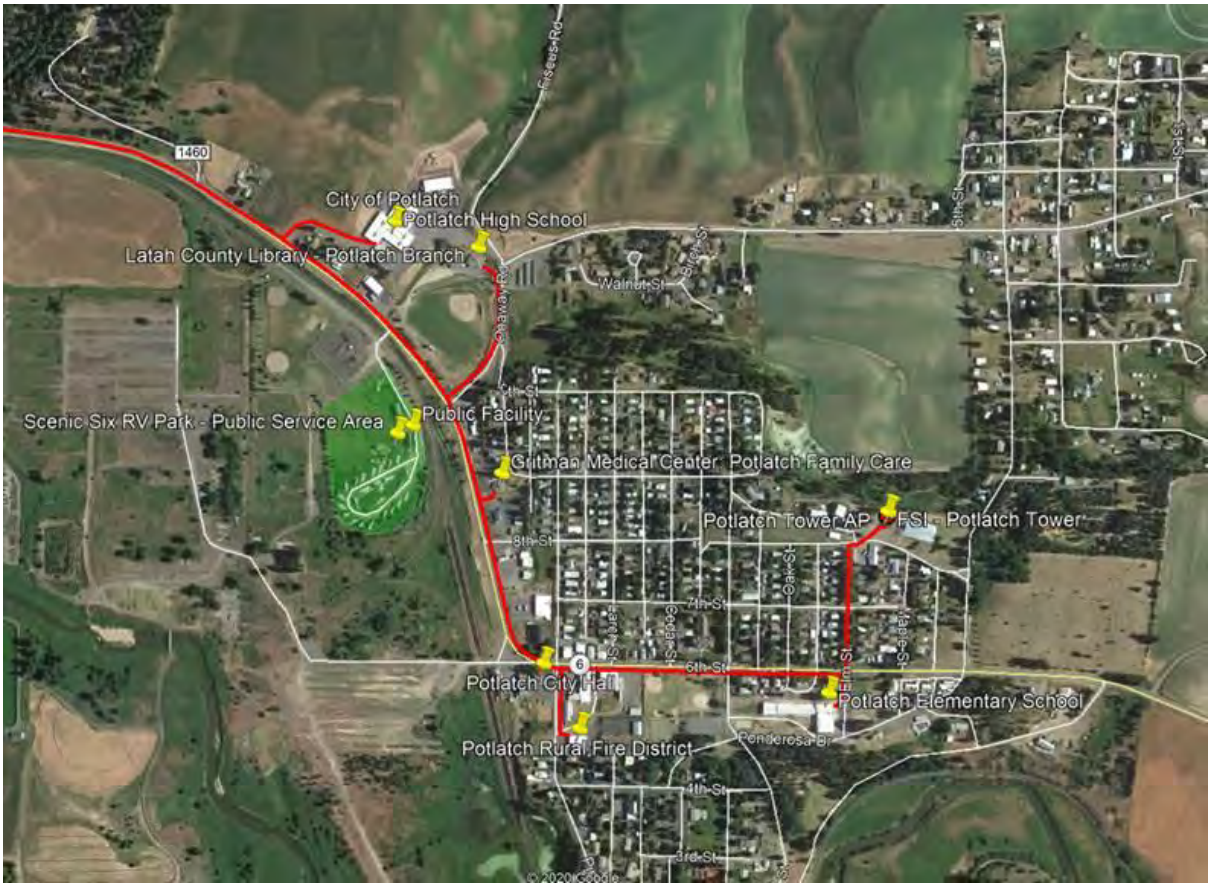

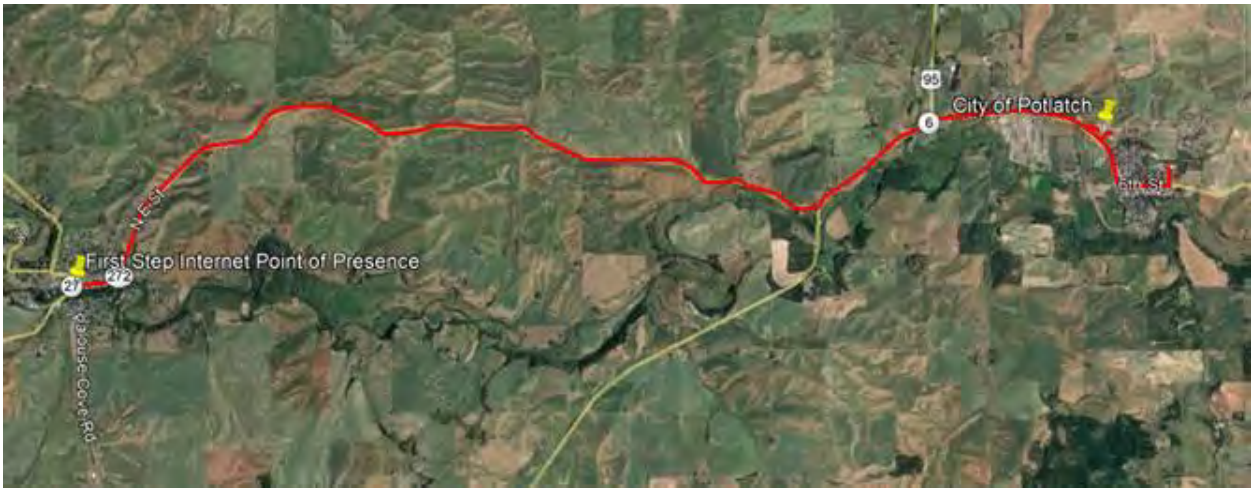
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27
272
Palouse Cove Rd

Palouse River Development Co, LLC (PRDC)
Creating Sustainable Neighborhoods, Communities, and Destinations
Historic WI&M Railroad Train Depot
185 6th St, Suite 207
Potlatch ID 83855

July 8, 2020

Director Tom Kealey
Idaho Department of Commerce
700 West State Street
PO Box 83720
Boise, ID 83720-0093

Subject: City of Potlatch – Support
State of Idaho Broadband Grant – CARES Act

Dear Director Kealey:

The Palouse River Development Co supports the City of Potlatch's application for funding from the Idaho Broadband Grant program. Indeed, the impacts of the COVID-19 pandemic dramatically underscores the city's need for enhanced internet services.

We heartily agree that, if funded, this project will provide critical infrastructure and broadband services to key public buildings and healthcare providers throughout our community. It also will provide robust WiFi accessibility for our community's citizens.

We enthusiastically support this project because individuals and companies with which we are associated have vacant parcels of land earmarked for expanding the new housing inventory in the City of Potlatch which in turn should help improve affordable housing options in the region. A recent study entitled the Palouse Regional Housing Assessment (The Partnership for Economic Prosperity, Inc., September, 2019) concluded that "the region will need over 2,600 additional single-family units" between now and 2027." Our research confirms common knowledge: reliable high-speed internet delivered over fiber optic is one of the features in which new home buyers are most keenly interested. In fact, for many prospective buyers, this is considered essential, and yet, the City of Potlatch's current offerings are deemed unacceptable.

Thank you for considering the City of Potlatch's application.

May God bless you, the Department of Commerce, and the great State of Idaho,

Thomas J. O'Malley, CEO & Co-founder

Our Mission: We help individuals, communities, companies, and organizations envision and create sustainable developments, buildings, homes, and spaces that enhance their legacy.

Forest Service

Nez Perce-Clearwater National Forests
Palouse Ranger District

1700 Highway 6
Potlatch, ID 83855
208-875-1131
Fax: 208-875-1133

File Code: 1580 **Date:** July 7, 2020

Subject: Broadband Grant Support

To: Grant Evaluation Committee

I would like to offer my support to the City of Potlatch for their grant application that would fund broadband internet for the city. As one of the largest employers within the city limits, we are constantly limited by internet speed. Especially during this COVID-19 crisis with most employees working virtually from home, the limitations of our internet service has been even more critical. Having the ability to bring broadband with its increased speed and bandwidth would greatly improve our productivity. We are often faced with the need to send or receive large files and with our current internet service it may not be possible. In addition, we use programs such as ArcGIS which is a web-based software and requires minimum internet speeds to be completely functional. We currently employ approximately 75 people during the summer season and 35 permanent year round.

Even more critical – when wildfires ignite in the area, one of the biggest issues for an incoming incident management team is the availability of good internet service. It is integral to the team's operations during wildfire suppression to be able to utilize GIS, share files, and access the worldwide web.

The positive impact of broadband internet service would not only be felt for our employees, but also for the entire community. I encourage you to approve the grant application for the City of Potlatch.

Sincerely,

Stefani Spencer

Stefani Spencer, District Ranger

POTLATCH SCHOOL DISTRICT #285

Hiedi Carpenter | hiedi.carpenter@psd285.orgDesp

July 7, 2020

To Whom It May Concern:

As the IT Director of Potlatch School District, and a long-time resident of the area, I would like to offer my strong support for the City of Potlatch in their endeavor to obtain a grant for expanding broadband into our rural community.

Once an innovative spot on the map with one of the largest lumber mills in the world, Potlatch, Idaho is a town now left behind by a 21st century economy. Not much has changed in the community since the mill closed, and took most jobs with it. Despite the lack of progress over the past few decades, people remain in Potlatch on the promise of raising their families in a community that provides strong values, secure traditions, and elbow room.

Most of the families earn just enough to get by at jobs that they commute to in surrounding bigger cities, and often come home to work late farming their own properties for the added income. Bringing a wired broadband solution into our community would provide so many opportunities for our town. Self-employed and small business owners would have access to expand the efficiency and productivity of their ventures. Moms and Dads working away from home would have the added security of communication with their kids and elderly parents who are home alone. Students would have access to a world of educational resources, and access to work from home on their studies. Access to books that are not in our small-town library, access to doctors that are not in our small clinic, and access to jobs that are only online are a just a few more reasons that Potlatch needs a wired broadband solution.

I fully support Mayor Dave Brown and the City of Potlatch in their application for a grant for broadband, and will do whatever I can to help implement the project when a plan comes to fruition.

Sincerely,

Hiedi Carpenter

Street Address, City, ST ZIP Code

Office: Telephone | Website

Karen Rohn

BlackBird at the Depot, Owner

Return to Riverside Music Festival, Director

Potlatch Historical Society, President

Washington, Idaho & Montana Railway History Preservation Group, President

karenrohndesigns@yahoo.com

509-595-7684

July 5, 2020

Re: Broadband in Potlatch, Idaho

To Whom it May Concern,

This letter is written in support of the City Of Potlatch getting much needed high speed internet. As a business owner and as a member of the community who sees tourism growing in our town, keeping updated with internet services is just as important as keeping our roadways in driving order. I use the internet for payment, for access to entertainment for my customers and more. As the President of two non-profit groups, the internet or lack of, has been the demise of more than one presentation for a group. Many times, we've held events with a speaker from a neighboring town or state, who expects we have the same internet services they do, only to find that we don't and their presentation cut short due to lack of access.

Without broadband, not only will our businesses suffer, but our youth will as well.

Keeping connected is important in today's world. Especially now. After Covid-19 closed our schools, many of our students found themselves attempting to do work online from home. And many of them found this was not possible. Either they couldn't afford internet or the speeds were not up to the challenge. I can suffer, as a business, in having my internet cut in and out. I expect it. As sad as that is, I know that our small town isn't viewed as important as more richly populated areas. Our pool of income not as deep as that of larger communities. This leaves us last in getting services much of the time.

High Speed internet would change the way I do business. It would affect how successful our students are. It would put us more in touch with a world many of our residents may never see in person.

If the City of Potlatch is able to install broadband in our town, it would be one of the best learning tools we could give our youth.

Thank You,

Karen Rohn

Latah CREDIT UNION

July 3, 2020

David Brown
Mayor
City of Potlatch
Potlatch ID 83855

Dear Mayor Brown,

As a business owner in the community of Potlatch, I am voicing my support for the broad band grant. Everything in our credit union relies heavily on quick, steady and secure internet access. This would greatly improve our operation in that area. It will allow more efficient internet access for everyone, especially the more rural members, where connectivity can be a challenge.

Sincerely,

Marlys A Wilson

Marlys A Wilson
President/CEO
208-882-6952
NMLS #767757

Idaho CARES Act Broadband Grant
Match

Community: City of Potlatch

Contributor name (& title): Christine Frei

Agency/Business: Clearwater Economic Development Assn.

DESCRIPTION OF DONATION:

Date: July 13, 2020

Grant administration provided free-of-charge to the City of Potlatch.

Total Amount Contributed to Project $6200

I hereby certify that the above listed contributions have been made in the amount (s) shown.

Christine Frei — July 13, 2020

Contributor Signature

Idaho CARES Act Broadband Grant – Project Schedule

Activity	Responsible Party	Start Date	End Date
Grant Submitted	CEDA	7/15/2020	7/15/2020
Issue RFP	County/CEDA	7/15/2020	8/3/2020
Grant Awarded	Commerce	7/31/2020	7/31/2020
Select/Contract ISP	County	8/11/2020	8/11/2020
Project Completed	ISP	8/11/2020	12/15/2020
Closeout	County/CEDA	12/15/2020	12/31/2020

City of Potlatch, Idaho

July 13, 2020

Director Tom Kealey
Idaho Department of Commerce
700 West State Street
PO Box 83720
Boise, ID 83720-0093

Re: City of Potlatch – Commitment Letter
State of Idaho Broadband Grant – CARES Act

Dear Director Kealey:

Since 2018, the City of Potlatch has actively sought help from internet service providers to install and provide broadband services. With the funding assistance of the Idaho GEM Grant program and local cash investment from partners such as Gritman Medical Center, Latah Credit Union, and First Step Internet, we completed a feasibility study for fiber-to-the-premise (FTTP). Since that time, we have been in communication with two ISPs about installation of a FTTP project and haven not yet been successful.

The City of Potlatch considered public ownership of a FTTP. The City abandoned this idea because the City does believe that Idaho State Statute clearly allows public ownership of telecommunication systems. Even if we were able to own the system, the City of Potlach does not have the staff capacity for managing such a system.

Should the project be funded, the City of Potlatch will select an ISP for construction, ownership, and management of the fiber system. An open network allowing competing ISPs will be required. The City will commit to using the resource once it is constructed.

Since the COVID-19 pandemic, we clearly do not have a telecommunication system that is adequate in addressing telehealth, public safety, and distance learning access. This is well-documented in the support letters. We are excited to have this opportunity to realize a goal that is firmly stated in the City's Land Use Plan. Please fund our grant request.

Sincerely,

David Brown, Mayor
City of Potlatch

Gritman MEDICAL CENTER

Gritman Medical Center
700 S. Main St.
Moscow, ID 83843
208-882-4511

July 8, 2020

Mayor Dave Brown
City of Potlatch
P. O. Box 525
Potlatch, ID l83855

Re: Support for Potlatch Fiber Project

Dear Mayor Brown:

We appreciate your forward thinking on developing infrastructure that will support the Potlatch community. The proposed fiber-to-the-premise project is a significant step, which Gritman Medical Center fully supports.

We see several clear benefits for Gritman Medical Center and those that we serve. First, since we operate a health clinic in Potlatch, the prospect of reliable, cost-effective, high speed internet allows for access to electronic health records, medical images, and medical resources that can make all the difference when providing care to the residents of Potlatch and the surrounding rural area. Perhaps most importantly, the prospect of high speed internet to the home will allow medical care to be provided using telehealth technology, improving access to care for your community while keeping healthcare costs down. Finally, enhanced infrastructure such as this will attract businesses to your community, and we know that there is a correlation between economic prosperity and people's health.

Thank you for your leadership.

Sincerely,

Kara Besst

Kara Besst
President & CEO

Latah County Library District

Moscow Library – District Headquarters
110 South Jefferson St.
Moscow, ID 83843
Phone: 208.882.3925
latahlibrary.org

Clearwater Economic Development Association
1626 6th Avenue North
Lewiston, ID 83501

July 7, 2020

Dear Grants Officer,

I am writing in support of the grant application submitted by the City of Potlatch to bring broadband connectivity to City and other governmental organizations in Potlatch. I understand the grant will allow First Step Internet to lay fiber in Potlatch, a necessary step toward providing high speed internet service.

The Potlatch Public Library is the busiest of the six rural branches in the Latah County Library District. The Potlatch Library provides free internet access to local residents through public computers and a 24/7 wireless network. A fiber internet connection would greatly enhance this service. Potlatch residents would also benefit from high speed internet in their schools and City offices.

The Latah County Library District enthusiastically supports the goal of this grant application.

Sincerely,

Chris Sokol
Director, Latah County Library District

Branch Libraries

Bovill	**Deary**	**Genesee**	**Juliaetta**	**Potlatch**	**Troy**
Bovill, ID 83806	Deary, ID 83823	Genesee, ID 83832	Juliaetta, ID 83535	Potlatch, ID 83855	Troy, ID 83871
Phone/Fax:	Phone/Fax:	Phone/Fax:	Phone/Fax:	Phone/Fax:	Phone/Fax:
208.826.3451	208.877.1664	208.285.1398	208.276.7071	208.875.1036	208.835.4311

Potlatch School District No. 285
130 Sixth St.
Potlatch, ID 83855-8757

District Office (208)875-0327
Elementary School (208)875-1331
Jr.-Sr. High School (208)875-1231
FAX (208)875-2560

July 7, 2020

To Whom It May Concern,

As superintendent of the Potlatch School District, I am writing this letter on behalf of the District in showing my support for the City of Potlatch's pursuit of obtaining a grant for expanding our broadband services in our community. The need for an optic fiber delivery system in our community is way overdue. Our current connectivity systems are spotty at best considering the overall ruralness of our district. I am sounding selfish but I want our students to have an equal chance to be successful, have access to the same "tools", and be able to participate on "an even playing field", as those students that are at neighboring districts like Moscow and Pullman, where they have broadband capabilities currently.

If I can be of further assistance, please feel free to contact me at (208) 875-0327 or at jcirka@psd285.org. Thank you.

Sincerely,

Jeffrey A. Cirka

Jeffrey A. Cirka, Superintendent
Potlatch School District #285

Potlatch Rural Fire and Ambulance

P.O. Box 63 515 Pine Street Potlatch, Idaho 83855 Phone: 208-875-0139 FAX: 208-875-0125

July 13, 2020

To Whom It May Concern:

Potlatch Rural Fire and Potlatch Ambulance is in support of fiber optic internet in the city of Potlatch. We rely on fast, dependable internet to complete patient care reports as well as fire reports online. Because of the current pandemic situation, we now need internet for our EMTs and firefighters to complete required continuing education courses online. We are not able to meet in person and need to conduct meetings virtually. We also rely on dependable, fast internet to access the course work to teach our community classes like Mental Health First Aid and QPR (suicide prevention education).

If you have any questions, please do not hesitate to contact me at the Potlatch Fire Station (208) 875-0139 or on my cell (208) 301-3073.

Sincerely,

Debi Swinney

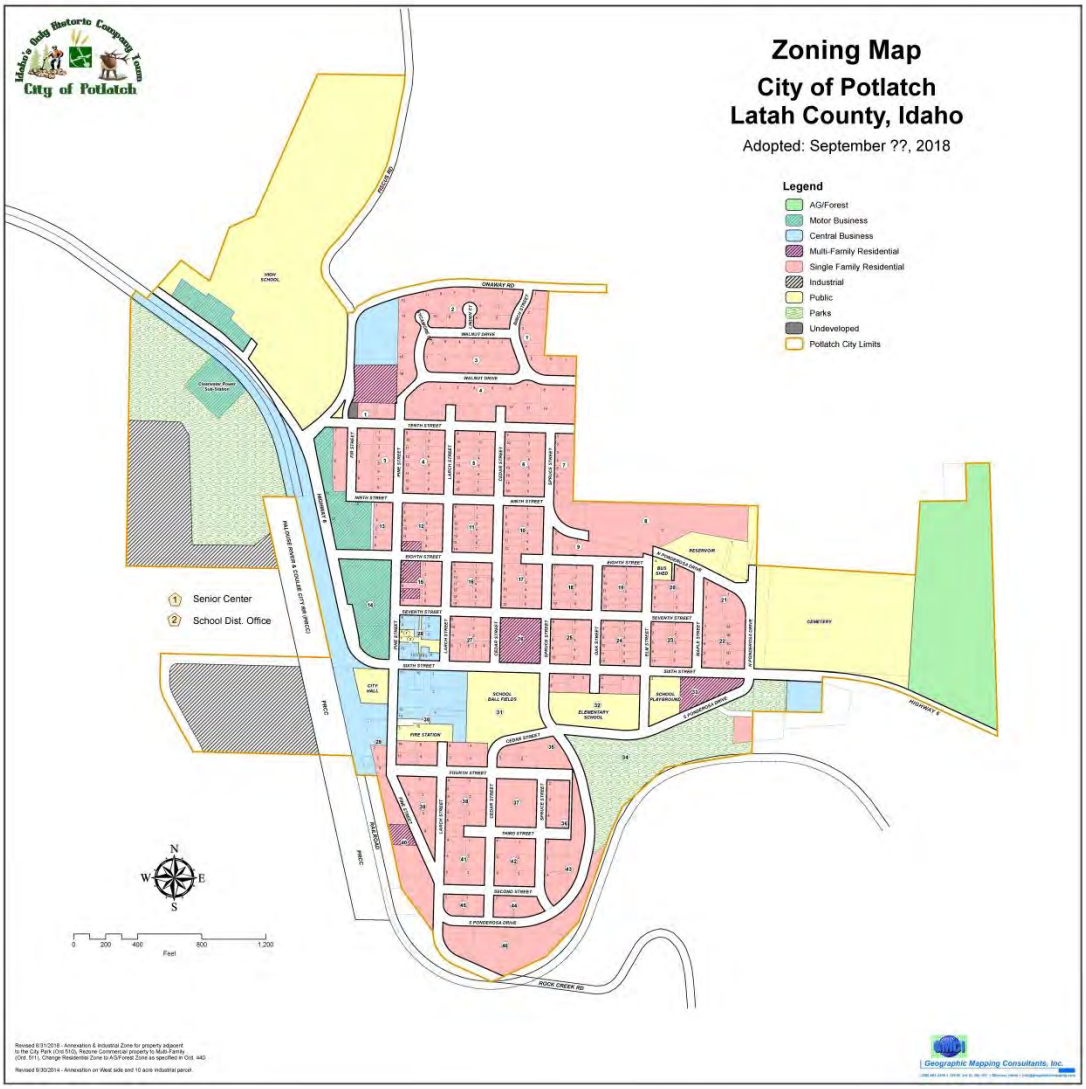
Debi Swinney

Potlatch Ambulance Chief

City of Potlatch – Location & Community Layout

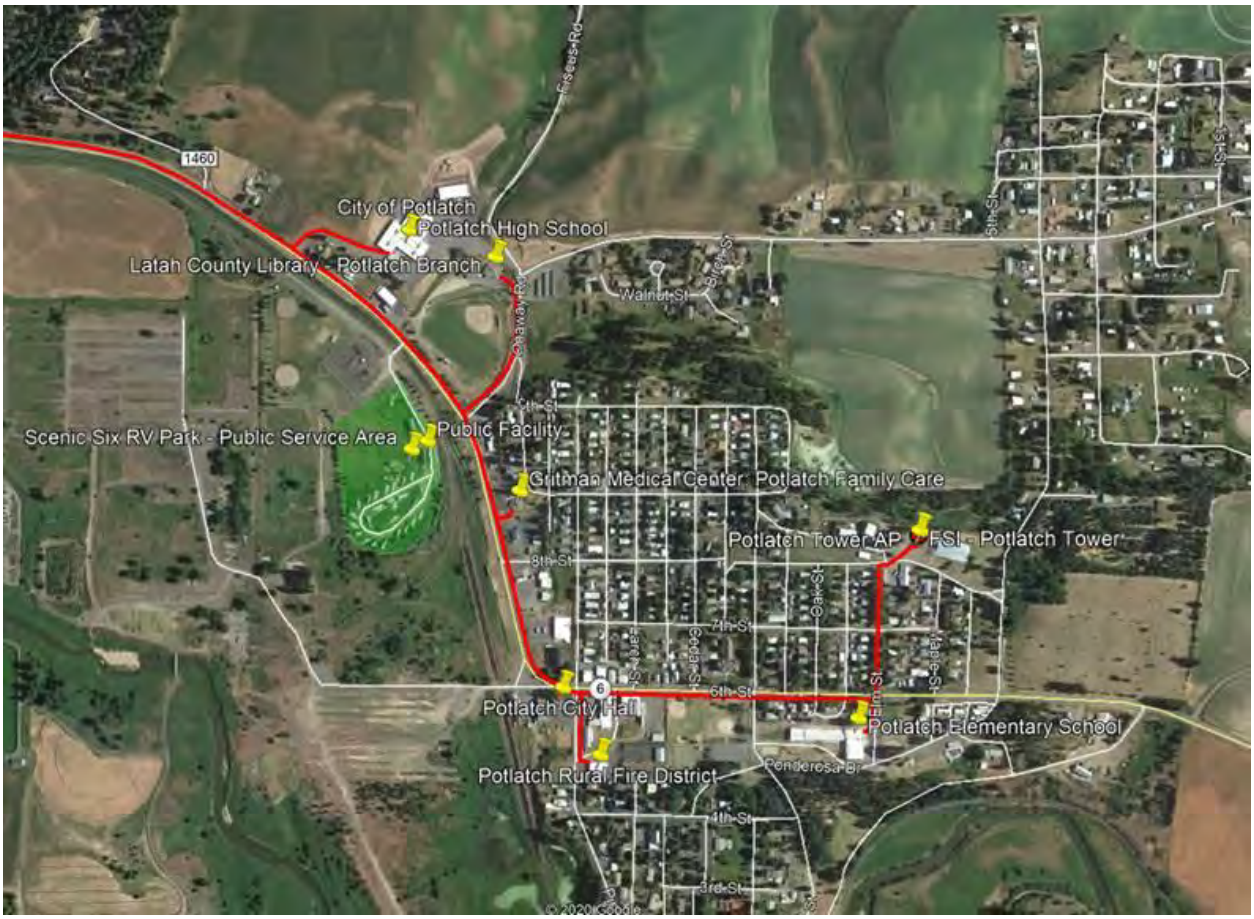
The City of Potlatch is located in Latah County on "The Palouse" prairie along the White Pine Scenic Byway stretch of State Highway 6, one mile east of U.S. Highway 95 and six miles east of the Idaho-Washington border. Nestled within rolling hills of farm country and scattered White Pine trees in rural, north-central Idaho, the City is 319 miles north of Boise, 80 miles east of Spokane, 70 miles south of Coeur d'Alene, and 19 miles north of Moscow, Idaho. On the City's northeast boundary, the small community of Onaway borders the City of Potlatch.

Community Layout:



Potlatch Broadband Project Design Layout

Fiber will come in from Palouse, Washington into the City of Potlatch along State Highway 6 (6th Street) and make connections to public facilities. Public WiFi access will occur in Scenic Six Park.




Public Facility
Scenic Six RV Park - Public Service Area
6

FEASIBILTY ANALYSIS

Fiber-to-the-Premise Broadband Network
Potlatch, ID

PREPARED FOR:

City of Potlatch, ID
195 6th Street
Potlatch, ID 83855

PREPARED BY:

ACCESS Consulting, P.C.
2300 Regent St. Suite 207
MISSOULA, MT
59801
5/23/2018

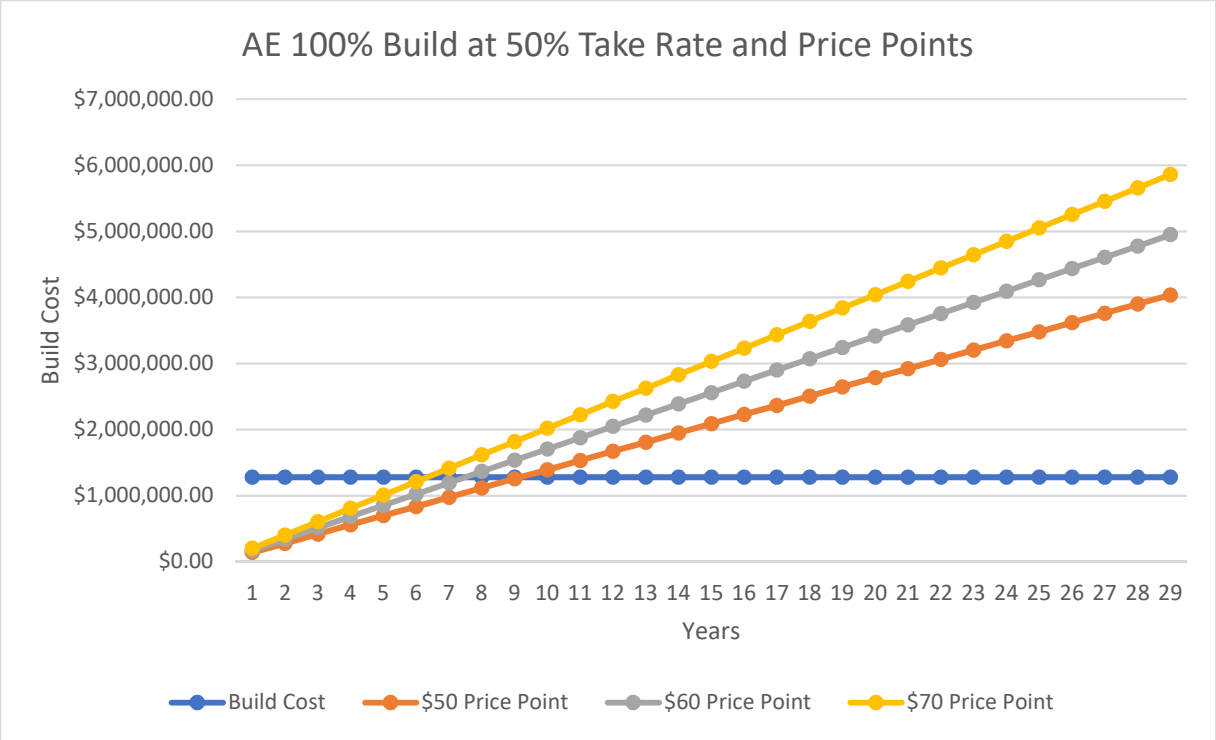
Executive Summary

In November, 2017, the City of Potlatch, Idaho contracted with Access Consulting, P.C. of Missoula, Montana to perform a technical and economic feasibility analysis of the construction of a fiber-to-the-premise (FTTP) broadband network in Potlatch, Idaho. The study was funded from a State of Idaho GEM Grant to the City from the Idaho Department of Commerce and the City. The study was broken down into five tasks:

- Project Definition and Stakeholder Coordination
- Existing infrastructure assessment and conceptual network design
- Conceptual network design validation
- Cost estimating and feasibility analysis
- Communicating with the City of Potlatch

The study identified key agencies, businesses and institutions within the City that would be potential anchor tenants for the network and used their locations to develop a conceptual design. A site visit to Potlatch was used to validate the conceptual design by evaluating the possible use of existing Avista utility poles to support the fiber optic cabling. Avista was consulted on the use of these poles for an FTTP network and they concurred with that assessment. Once the design was validated, a probable cost of construction estimate was created using cost data from previous projects and from equipment vendor submittals. Operational costs for the network were estimated as well as potential revenues. These estimates were used in a simple payback analysis to determine how many years would be required to recoup the cost of building and operating the network. Variables including the number of subscribers, monthly subscriber rates, and network operating model were adjusted to provide visibility of the sensitivity of payback period to those parameters.

The conclusion of the study was that reasonable payback periods (less than 10 years) can be achieved if the number of subscribers approaches 50% of the total premises in Potlatch and if the monthly subscriber rate was between $50 and $70 per month.



Introduction/Objective

The objective of this study is to determine whether it is technically and financially feasible to build and operate a fiber optic broadband internet network serving the community of Potlatch, Idaho. The study would include a demographic survey of the community to determine community parameters that would influence a feasibility assessment. The study will also develop a schematic design of a fiber-to-the-premise (FTTP) network serving the community and estimate the probable cost of construction for that network. The study would also estimate the probable operating cost for the network and the potential revenue that could be generated by the network. Finally, the study will determine the time required to recoup the capital and operating cost investment as a function of number of subscribers. That payback period will be used to assess the feasibility of this project.

Why is affordable broadband service important to rural communities like Potlatch? Because, briefly, broadband service can connect Potlatch to educational, professional, and commercial opportunities previously available only to urban and suburban communities. Broadband service can provide voice, data, and video connectivity to worldwide resources and enable local businesses, schools, hospitals, and government agencies to access a wider array of needed opportunities, commodities, and services.

Methodology: The study is organized into five tasks, including:

Project Definition and Stakeholder Coordination - define the study parameters required to determine the feasibility of an FTTP network in Potlatch.

Existing Infrastructure Assessment and Conceptual Network Design – survey existing utility pole infrastructure, locate key community anchor institutions that may serve as anchor tenants on the network, and identify any other community infrastructure that may be used to support the network.

Conceptual design validation – visit Potlatch to evaluate the conceptual network design and review it with the community representatives, public and private utilities, and the proposed ISP.

Cost estimating and feasibility analysis –develop an estimate of the probable cost of construction for the network using parametric pricing models based on our recent experience in Idaho, Washington, and Montana. Evaluate the conceptual design using the criteria defined in Task 1 and provide our opinion as to the feasibility of proceeding into the next stage of development of this network.

Communicating with the City of Potlatch – participate in a public meeting hosted by the City of Potlatch to review the results of the study and provide information on how broadband can impact a community's economic future.

Task 1: Project Definition and Stakeholder Coordination

The objective of this task was to research the basic data required to develop an FTTP conceptual design, estimate capital and operating costs, and assess the financial and technical feasibility of that design. We used data derived from the 2010 Census, Google Earth, GIS software and a site survey to fully understand the community and the requirements for an FTTP network.

We derived pertinent demographic data from the 2010 U.S. Census and from data projections derived by the Census Bureau. From those sources, we determined that the City has approximately 816 citizens. Per current Census data, the City is 97% white, 2% Latino, and 1% Native American. The average household income in 2010 was $35,385. This data indicates that broadband adoption will be somewhat price sensitive. The average age of residents in 2010 was 32.9 years old, with approximately 65% of residents are Generation X or Millennials. While recent research shows high speed internet access adoption across all age demographics, the presence of a strong base of Gen X and Millennial residents suggests an above-average demand for broadband services.

Census data also indicated that there are a total of 524 businesses and residences in Potlatch. This tells us the total number of potential subscribers in the community. All cost and revenue projections will be based on a "take rate", or the percentage of the 524 possible subscribers that purchase service.

The incumbent broadband provider in Potlatch is Frontier Telecom. Frontier offers two service packages, bundled internet and phone service on a 24-month contract for $42.00 per month and internet only service on a 24-month contract for $20.00 per month. Both plans specify speeds "up to" 6 megabits per second (Mbps) in areas served by fiber optic cable. Frontier has a partnership with Dish Satellite to provide up to 240 channels of network programming.

A key ingredient to successful broadband deployments in small, rural communities is the presence of anchor institutions that can require and can afford the services only enabled by broadband connectivity. This businesses, agencies and institutions are typically the earliest adopters of high capacity broadband services. In other rural communities, we have often found that when we combine the demand for bandwidth for only a few of these institutions, and the financial resources they are committing to those services, we have the financial resources required to support a successful FTTP deployment. The anchor institutions we could identify in Potlatch included:

- Education: Potlatch Junior-Senior High School, Potlatch Elementary, Potlatch Public Library
- Healthcare: Potlatch Family Care, Potlatch Family Dentistry, Northwest Pharmacy
- Financial: U.S. Bank, Latah Credit Union
- Government: Potlatch City Hall, United State Post Office, Idaho Liquor Store, Potlatch Rural Fire Department
- Commerce: Napa Auto Parts, Floyd's Harvest Foods

In summary, Potlatch is a small rural community with sufficient resources (anchor institutions, population, and appropriate demographics) and service demand to justify a deeper assessment of the feasibility of an FTTP network deployment.

Task 2: Existing Infrastructure Assessment and Conceptual Network Design

The objective of an existing infrastructure assessment is to answer the fundamental questions of whether there is sufficient existing utility or telecommunications infrastructure to support the economical deployment of an FTTP network in Potlatch. Surveying the existing utility poles will enable us to determine whether the FTTP deployment will use aerial cabling or buried cabling. Aerial construction is less costly than buried construction and easier to troubleshoot and maintain as well. Using Google Earth imagery, we identified existing utility poles running through the community that appear able to support aerial construction. Avista will allow a telecommunications carrier to install on their poles if that installation meets applicable codes and standards and does not overload the poles. Our brief visual assessment of the existing poles leads us to believe they have the capacity to support a telecommunications service. We reviewed this assessment with the Avista Utilities joint use coordinator and received his concurrence that the poles would support the addition of the FTTP network proposed in this study.

An FTTP network consists of a network core, backbone cabling distributing service throughout the community, and service drops connecting individual premises to the backbone cable. We chose to locate the network core in a cabinet at the Potlatch Jr./Sr. High School. All backbone and distribution cables will begin at that location. For the Potlatch network, we determined that two 288-strand and a single 48-strand cable running south through town and anchored at the core cabinet Jr./Sr. High School, would provide sufficient capacity for all the premises in town and allow for some future growth.

The north leg of the network extends from the core along the pole line on Route 6 then breaks off to Onaway Road to reach north Potlatch and Onaway customers. From the Junior-Senior High School south along the pole line on Route 6 to 8th St will serve north central, central and south Potlatch customers. These legs of the network follow the same pole line east on 8th Street break off at different points dependent on existing Avista pole infrastructure. A directional bore approximately 335 feet would be

required to service the RV Park west of Route 6. Permits to bore under Route 6 and the adjacent railroad right-a-way are not included in the estimate.

Connections to premises, called services drops or drops for short, would be 24-strand aerial fiber from the premise to the nearest pole and then to the nearest splice enclosure located along the 144-strand backbone cable. Drawings of this design have been included as an appendix to this report and detail the fiber route, core location, and splice enclosure locations.

Task 3: Conceptual design validation

On April 4th, 2018 representatives of Access Consulting performed a visual inspection of the conceptual design route through Potlatch. The objectives of this inspection were to verify route feasibility, assess existing utility pole capacity, identify a location for the network core equipment, and identify any other issues that might impact the cost or feasibility of the network. The inspection began at the north end of town at the Potlatch Jr./Sr. High School. We identified a potential underground path to connect the RV park site to the aerial infrastructure on the opposite side of Route 6. We then surveyed the utility poles moving south into Potlatch, through downtown and continuing to the southern and eastern edge of town. The poles are lightly loaded and should have capacity to support additional fiber optic cable and messenger strand. Avista standards will require nominal “make ready” work before the installation of the FTTP network. The need for tree trimming was noticed in many locations that added to the “make ready” total.

We identified a location for the network core cabinet on the northwestern corner of the Potlatch Jr./Sr. High School on the north west side of town. This location will conveniently place the core near a potential anchor tenant of the network, efficient access to existing Avista poles, and power.

The validated conceptual design is illustrated in the drawings included in the Appendix to this report.

Task 4: Cost estimating and feasibility analysis

The next task in this study estimated the cost of construction and operation of the network, the potential revenue generated by the network, and the economic feasibility of the network measured by the time required to recoup construction and operation costs (the breakeven point). Spreadsheets illustrating the results of these estimates for the variables described below are provided in the Appendix.

The **probable cost of construction** was estimated using cost data from recent projects in Washington, Idaho, and Montana as well as equipment costs provided by manufacturers. The elements included in this estimate are the aerial fiber (backbone and service drops), the network core equipment, and underground construction.

The **cost of aerial fiber** includes the fiber itself, the steel messenger cable to which it is lashed, splice cases for connecting service drops to the backbone, labor for installing the fiber on the poles, labor for installing and splicing drop fiber to back bone fiber, and for customer premise equipment (CPE). For all scenarios, we examined, the cost of the backbone (2-288-strand) fiber construction remains the same as we believe that the provider should build the entire backbone to be able to reach any subscriber within the coverage area. The number of drop cables, the cost to install and splice them into the network, and the cost of CPE varies with the “take rate” (percentage of total possible subscribers who subscribe). For our analysis, we assumed take rates of 20%, 35%, 50% and 100%. The 100% take rate represents the

best possible results for the network while the 35% and 50% take rates are more typical of rural communities.

The **core equipment cost** includes an outdoor rated cabinet, active electronics to light the network, and a power connection to the cabinet. We chose to specify core equipment and enclosures manufactured by Calix Corporation, a widely used and known producer of fiber broadband electronics. There are cheaper alternatives to Calix, but we chose it to keep our cost estimate on the conservative side. Providers who choose to use other more affordable equipment will see earlier paybacks than predicted by our modeling.

With respect to the active electronics in the cabinet, we examined Active Ethernet. Active Ethernet electronics are nominally more expensive but allow the network to be operated at higher throughput and deliver more service options to subscribers. We recommend the Active Ethernet operating mode because it provides the greatest operating throughput and flexibility for only slightly higher cost. Feasibility analyses for Active Ethernet are presented in the spreadsheets included in the Appendix.

The **cost of operation** was developed using estimates of labor required, utility pole lease fees and other utility costs. We estimated that on-going support labor (excluding backbone and drop construction labor) would be two days per month. We further estimated that the power bill for the network core cabinet would be $100 per month and the utility pole rental fee paid to Avista would be $6,106.50 per year ($27.14 per pole x 225 poles).

Potential revenue derived from the network is a function of service price and the number of subscribers on the network. We developed revenue estimates assuming $50/month, $60/month, and $70/month rates. As noted above, we also assumed take rates of 20%, 35%, 50% and 100%. The tables below summarize the results of the payback analysis:

Payback Analysis, Active Ethernet, $50/Month Subscriber Rate			
Take Rate	Total Construction Cost	Net Annual Revenue @ $50 per Connection	Payback Period
20%	$1,217,656.00	$45,000	27 years
35%	$1,237,975.50	$91,800	13.5 years
50%	$1,279,514.00	$139,200	9.2 years
100%	$1,382,742.00	$296,400	4.7 years

Payback Analysis, Active Ethernet, $60/Month Subscriber Rate			
Take Rate	Total Construction Cost	Net Annual Revenue @ $60 per Connection	Payback Period
20%	$1,217,656.00	$57,600	21 years
35%	$1,237,975.50	$113,760	10.9 years
50%	$1,279,514.00	$170,640	7.5 years
100%	$1,382,742.00	$359,280	3.9 years

Payback Analysis, Active Ethernet, $70/Month Subscriber Rate			
Take Rate	Total Construction Cost	Net Annual Revenue @ $50 per Connection	Payback Period
20%	$1,217,656.00	$70,200	17.3 years
35%	$1,237,975.00	$135,720	9 years
50%	$1,279,514.00	$202,080	6.3 years
100%	$1,382,742.00	$422,160	3.3 years

After reviewing the above data in detail, it is our opinion that an FTTP network in Potlatch can be feasible if a take rate of 35% – 50% can be achieved at billing rates $70 per month or less.

Task 5: Communicating with the City of Potlatch

The final task of this project involves the communication of these results to the City of Potlatch. A preliminary version of the above results was presented to the City in a public meeting on June 13, 2018.

Conclusion

In summary, Access Consulting performed an engineering study of the economic feasibility of constructing and operating a fiber-to-the-premise network in Potlatch, Idaho. The study developed a network design in sufficient detail so that a probable cost of construction estimate could be developed. Operational costs and potential revenues were also developed, and a simple payback period was calculated. The conclusion of the study was that a FTTP network in Potlatch is financially feasible if certain subscription rates (35% to 50% of total premises) could be achieved at subscription prices of $50, $60, and $70 per month.

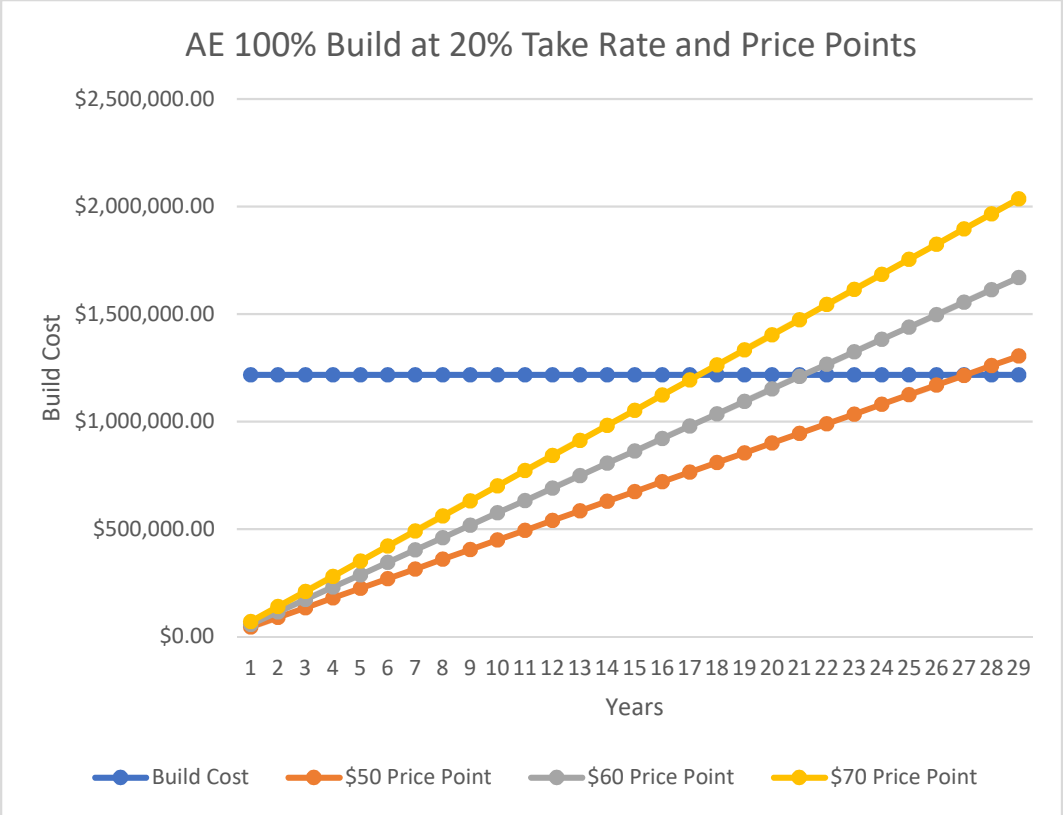
Appendices

Cost Models Assuming $50, $60, and $70 per month subscription prices

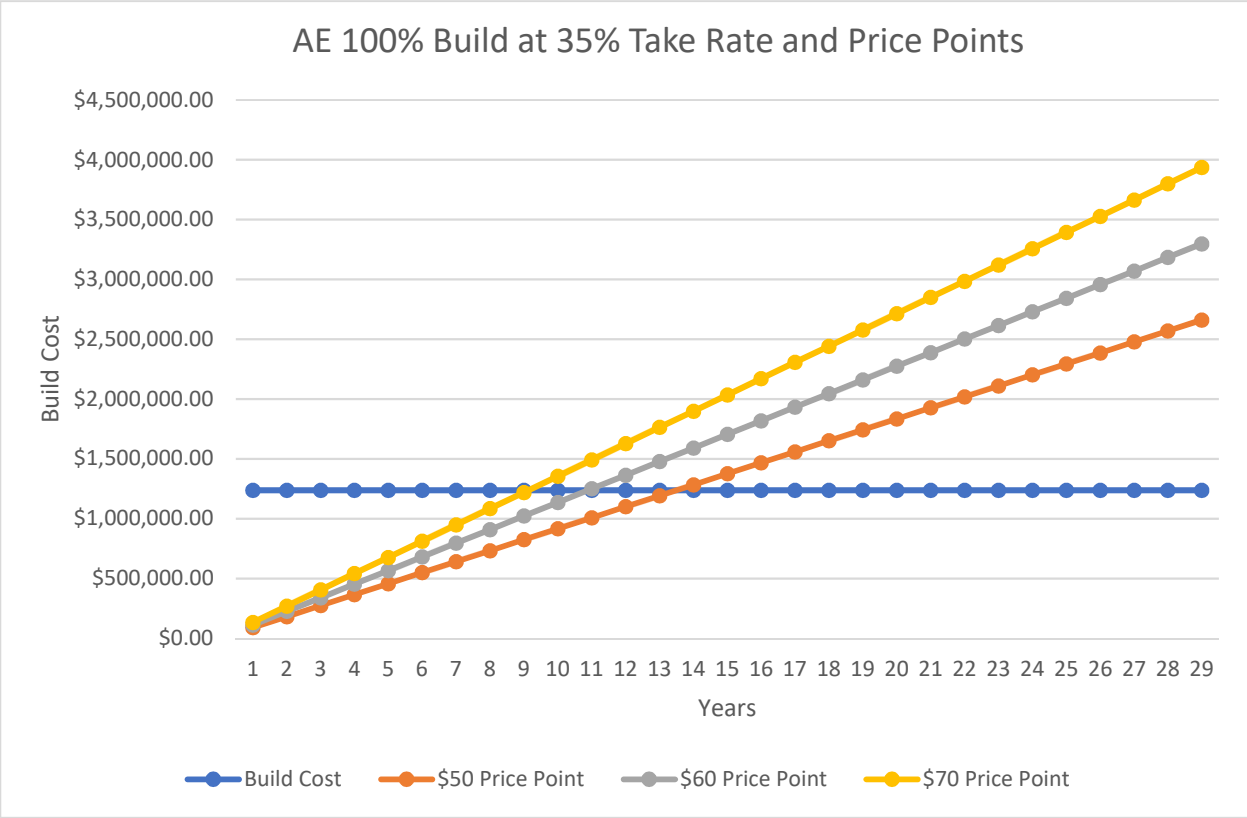
Drawings

Public Meeting Slides

Potlatch Onaway, ID Fiber Cost Analysis 20%						
Fiber	Fiber Count	Price/ft	# ft	Fiber Price		
	288F	$5.25	3,800	$19,950.00		
	144F	$3.00	12,250	$36,750.00		
	48F	$1.35	1,900	$2,565.00		
	24F	$0.72	31,500	$22,680.00		
Messenger Wire		Price/ft	# ft	Messenger Price		
		$0.50	47,707	$23,853.50		
Installation of Fiber/Messenger		Price/ft	# ft	Installation Price		
		$12.00	47,707	$572,484.00		
Fiber Splices		Price/splice	# of splices	Splicing Price		
		$50.00	800	$40,000.00		
Splice Cases		Price each	# of splice cases	Splice Case Price		
		$175.00	86	$15,050.00		
Directional Bore	Hand hole/Riser/Labor	Price/ft	# ft	Directional Bore Price		
	$3,000	$50.00	335	$19,750.00		
Avista Pole Fee		Monthly Price/Pole	# Poles	**Annual Avista Fee		
		$27.14	225	$6,106.50		
Service Drops	Install Labor	Price/Drop (Fiber/CPE)	# Drops 20%	Service Drop Price		
	$150.00	$244.00	105	$41,370.00		
Head-End-Equip 700GE ONT	ODC-200 cabinet ONT	Calix ODC-200 AE	UPS	Head-End-Equip Price		
				$210,897.00		
Commercial Power Drop to Cabinet				Commercial Power Price		
				$3,500.00		
Avista Make-ready		Price/mile	# of miles	Make-ready Price		
		$20,000.00	9.01	$180,200.00		
Performance Bond		Price/Pole	# of poles	Bond Price		
		$100.00	225	$22,500.00		
			Equipment/Labor			
			Total Construction Cost	$1,217,656.00		
			Annual Operating			
			Cost	$18,000.00		
			Telco Rate per	(49.99 Monthly)	(59.99 Monthly)	(69.99 Monthly)
			Customer Annually	$600.00	$720.00	$840.00
			Annual Gross Revenue	$63,000.00	$75,600.00	$88,200.00
			Annual Net Revenue	$45,000.00	$57,600.00	$70,200.00
			ROI in Years:	27.06	21.14	17.35


AE 100% Build at 20% Take Rate and Price Points
$2,500,000.00
$2,000,000.00
$1,500,000.00
$1,000,000.00
$500,000.00
$0.00
Build Cost
1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29
Years
Build Cost
$50 Price Point
$60 Price Point
$70 Price Point

Potlatch Onaway, ID Fiber Cost Analysis Project 35%						
Fiber	Fiber Count	Price/ft	# ft	Fiber Price		
	288F	$5.25	3,800	$19,950.00		
	144F	$2.15	12,250	$26,337.50		
	48F	$1.35	1,900	$2,565.00		
	24F	$0.72	31,500	$22,680.00		
Messenger Wire		Price/ft	# ft	Messenger Price		
		$0.50	47,707	$23,853.50		
Installation of		Price/ft	# ft	Installation Price		
Fiber/Messenger		$12.00	47,707	$572,484.00		
Fiber Splices		Price/splice	# of splices	Splicing Price		
		$50.00	800	$40,000.00		
Splice Cases		Price each	# of splice cases	Splice Case Price		
		$175.00	86	$15,050.00		
Directional Bore	Hand hole/Riser/Labor	Price/ft	# ft	Directional Bore Price		
	$3,000	$50.00	335	$19,750.00		
Avista Pole Fee		Monthly Price/Pole	# Poles	Annual Avista Fee		
		$27.14	225	$6,106.50		
Service Drops	Install Labor	Price/Drop (Fiber/CPE)	# Drops 35%	Service Drop Price		
	$150.00	$244.00	183	$72,102.00		
Head-End-Equip	ODC-200 cabinet	Calix ODC-200 AE	UPS	Head-End-Equip Price		
700GE ONT	ONT			$210,897.00		
Commercial Power				Commercial Power Price		
Drop to Cabinet				$3,500.00		
Avista Make-ready		Price/mile	# of miles	Make-ready Price		
		$20,000.00	9.01	$180,200.00		
Performance Bond		Price/Pole	# of poles	Bond Price		
		$100.00	225	$22,500.00		
			Equipment/Labor			
			Total Construction Cost	$1,237,975.50		
			Annual Operating			
			Cost	$18,000.00		
			Telco Rate per	(49.99 Monthly)	(59.99 Monthly)	(69.99 Monthly)
			Customer Annually	$600.00	$720.00	$840.00
			Annual Gross Revenue	$109,800.00	$131,760.00	$153,720.00
			Annual Net Revenue	$91,800.00	$113,760.00	$135,720.00
			ROI in Years:	13.49	10.88	9.12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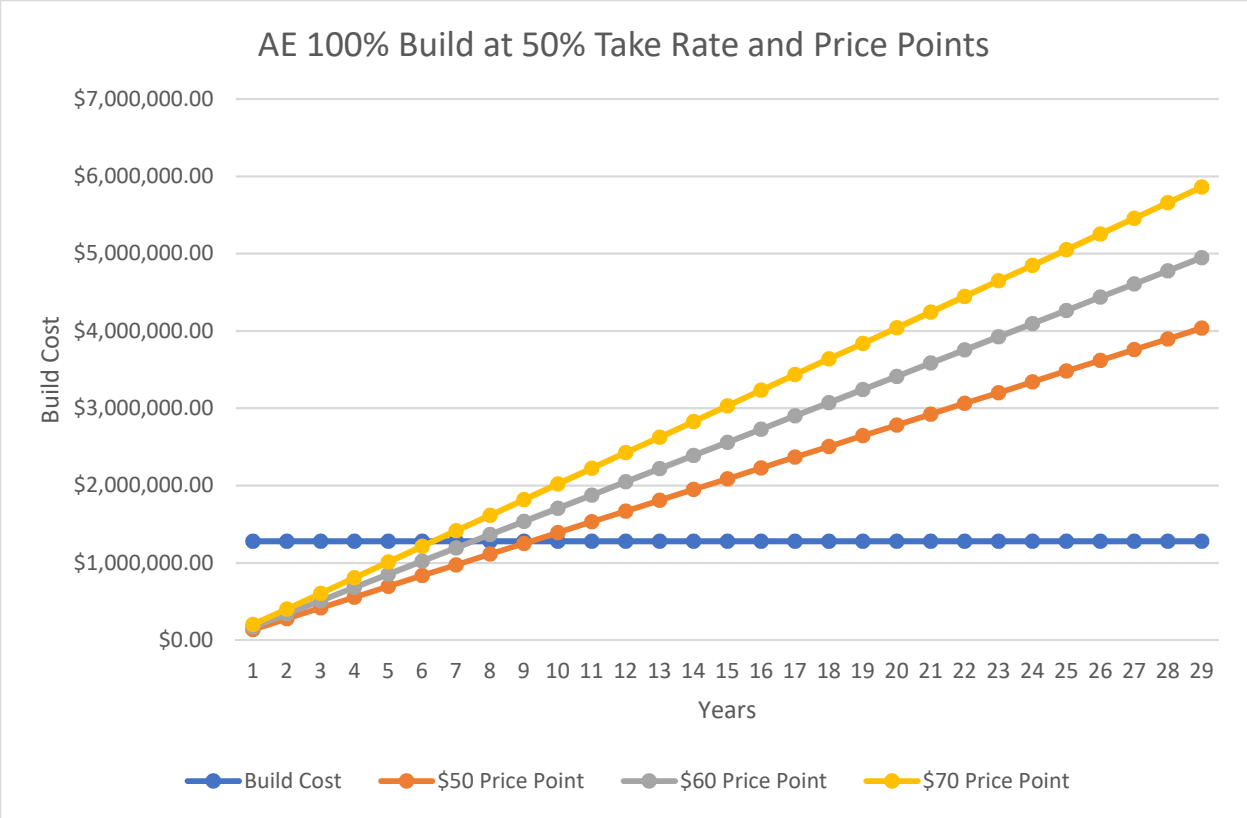
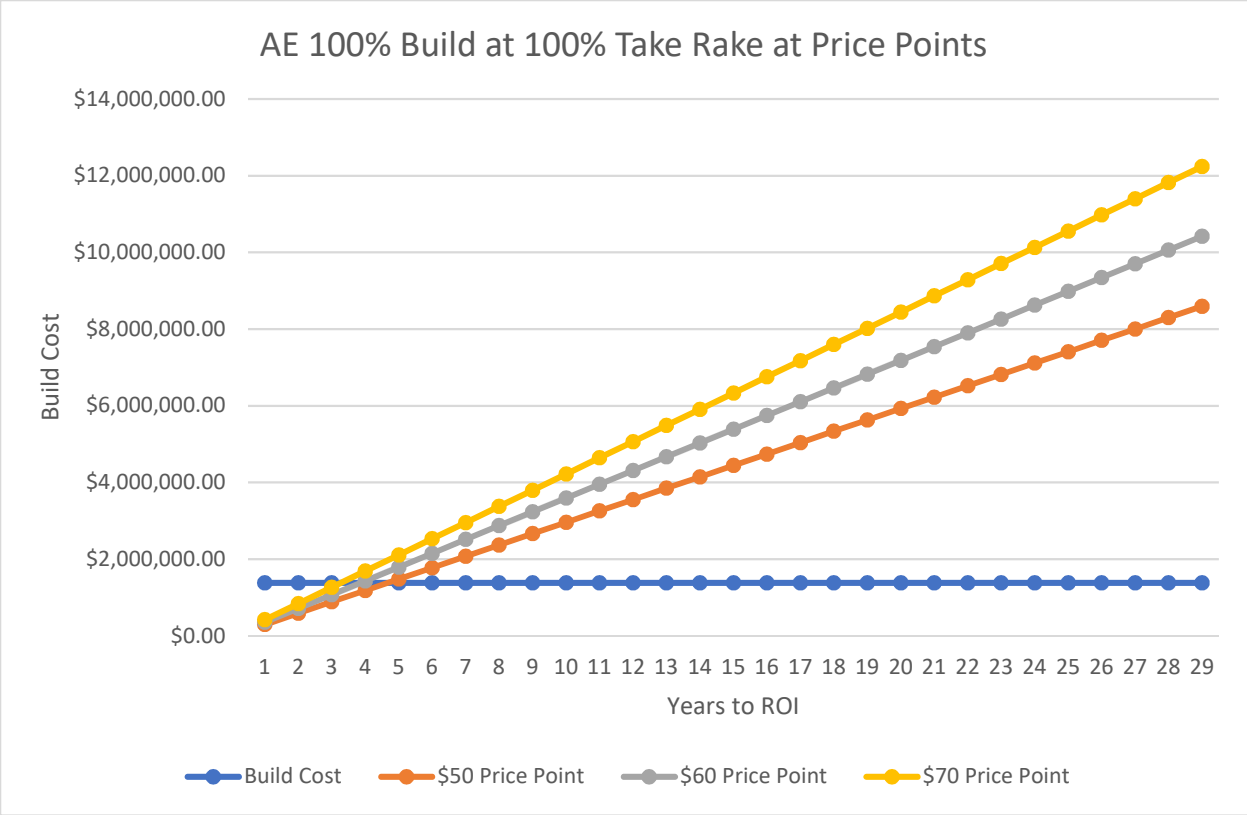
$4,000,000.00
$3,500,000.00
$3,000,000.00
$2,500,000.00
$2,000,000.00
$1,500,000.00
$1,000,000.00
$500,000.00
$0.00
Build Cost
1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29
Years
Build Cost
$50 Price Point
$60 Price Point
$70 Price Point

Potlatch Onaway, ID Fiber Cost Analysis Project 50%						
Fiber	Fiber Count	Price/ft	# ft	Fiber Price		
	288F	$5.25	3,800	$19,950.00		
	144F	$3.00	12,250	$36,750.00		
	48F	$1.35	1,900	$2,565.00		
	24F	$0.72	31,500	$22,680.00		
Messenger Wire		Price/ft	# ft	Messenger Price		
		$0.50	47,707	$23,853.50		
Installation of Fiber/Messenger		Price/ft	# ft	Installation Price		
		$12.00	47,707	$572,484.00		
Fiber Splices		Price/splice	# of splices	Splicing Price		
		$50.00	800	$40,000.00		
Splice Cases		Price each	# of splice cases	Splice Case Price		
		$175.00	86	$15,050.00		
Directional Bore	Hand hole/Riser/Labor	Price/ft	# ft	Directional Bore Price		
	$3,000	$50.00	335	$19,750.00		
Avista Pole Fee		Monthly Price/Pole	# Poles	Annual Avista Fee		
		$27.14	225	$6,106.50		
Service Drops	Install Labor	Price/Drop (Fiber/CPE)	# Drops 50%	Service Drop Price		
	$150.00	$244.00	262	$103,228.00		
Head-End-Equip 700GE	ODC-200 cabinet ONT	Calix ODC-200 AE	UPS	Head-End-Equip Price		
				$210,897.00		
Commercial Power Drop to Cabinet				Commercial Power Price		
				$3,500.00		
Avista Make-ready		Price/mile	# miles	Make-ready Price		
		$20,000.00	9.01	$180,200.00		
Performance Bond		Price/Pole	# poles	Bond Price		
		$100.00	225	$22,500.00		
			Equipment/Labor			
			Total Construction Cost	$1,279,514.00		
			Annual Operating			
			Cost	$18,000.00		
			Telco Rate per	(49.99 Monthly)	(59.99 Monthly)	(69.99 Monthly)
			Customer Annually	$600.00	$720.00	$840.00
			Annual Gross Revenue	$157,200.00	$188,640.00	$220,080.00
			Annual Net Revenue	$139,200.00	$170,640.00	$202,080.00
			ROI in Years:	9.19	7.50	6.33


AE 100% Build at 50% Take Rate and Price Points
$7,000,000.00
$6,000,000.00
$5,000,000.00
$4,000,000.00
$3,000,000.00
$2,000,000.00
$1,000,000.00
$0.00
Build Cost
1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29
Years
Build Cost
$50 Price Point
$60 Price Point
$70 Price Point

Potlatch Onaway, ID Fiber Cost Analysis Project 100%						
Fiber	Fiber Count	Price/ft	# ft	Fiber Price		
	288F	$5.25	3,800	$19,950.00		
	144F	$3.00	12,250	$36,750.00		
	48F	$1.35	1,900	$2,565.00		
	24F	$0.72	31,500	$22,680.00		
Messenger Wire		Price/ft	# ft	Messenger Price		
		$0.50	47,707	$23,853.50		
Installation of		Price/ft	# ft	Installation Price		
Fiber/Messenger		$12.00	47,707	$572,484.00		
Fiber Splices		Price/splice	# of splices	Splicing Price		
		$50.00	800	$40,000.00		
Splice Cases		Price each	# of splice cases	Splice Case Price		
		$175.00	86	$15,050.00		
Directional Bore	Hand hole/Riser/Labor	Price/ft	# ft	Directional Bore Price		
	$3,000	$50.00	335	$19,750.00		
Avista Pole Fee		Monthly Price/Pole	# Poles	**Annual Avista Fee		
		$27.14	225	$6,106.50		
Service Drops	Install Labor	Price/Drop (Fiber/CPE)	# Drops 100%	Service Drop Price		
	$150.00	$244.00	524	$206,456.00		
Head-End-Equip	ODC-200 cabinet	Calix ODC-200 AE	UPS	Head-End-Equip Price		
700GE ONT	ONT			$210,897.00		
Commercial Power				Commercial Power Price		
Drop to Cabinet				$3,500.00		
Avista Make-ready		Price/mile	# of miles	Make-ready Price		
		$20,000.00	9.01	$180,200.00		
Performance Bond		Price/Pole	# of poles	Bond Price		
		$100.00	225	$22,500.00		
			Equipment/Labor			
			Total Construction Cost	$1,382,742.00		
			Annual Operating			
			Cost	$18,000.00		
			Telco Rate per	(49.99 Monthly)	(59.99 Monthly)	(69.99 Monthly)
			Customer Annually	$600.00	$720.00	$840.00
			Annual Gross Revenue	$314,400.00	$377,280.00	$440,160.00
			Annual Net Revenue	$296,400.00	$359,280.00	$422,160.00
			ROI in Years:	4.67	3.85	3.28


AE 100% Build at 100% Take Rake at Price Points
$14,000,000.00
$12,000,000.00
$10,000,000.00
$8,000,000.00
$6,000,000.00
$4,000,000.00
$2,000,000.00
$0.00
Build Cost
1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29
Years to ROI
Build Cost
$50 Price Point
$60 Price Point
$70 Price Point

Build Models and Cost Analysis:

100% Build

Take Rate	Drops	Build Cost Active Ethernet 100%	Yearly Operating Costs	Monthly Price Point $50	Annual Net Income	ROI Years	Monthly Price Point $60	Annual Net Income	ROI Years	Monthly Price Point $70	Annual Net Income	ROI Years
20%	105	$1,217,656.00	$18,000.00	$50.00	$45,000.00	27.06	$60.00	$57,600.00	21.14	$70.00	$70,200.00	17.35
35%	183	$1,230,694.50	$18,000.00	$50.00	$91,800.00	13.41	$60.00	$113,760.00	10.82	$70.00	$135,720.00	9.07
50%	262	$1,261,820.50	$18,000.00	$50.00	$139,200.00	9.06	$60.00	$170,640.00	7.39	$70.00	$202,080.00	6.24
100%	524	$1,365,048.50	$18,000.00	$50.00	$296,400.00	4.61	$60.00	$359,280.00	3.80	$70.00	$422,160.00	3.23

50% Build

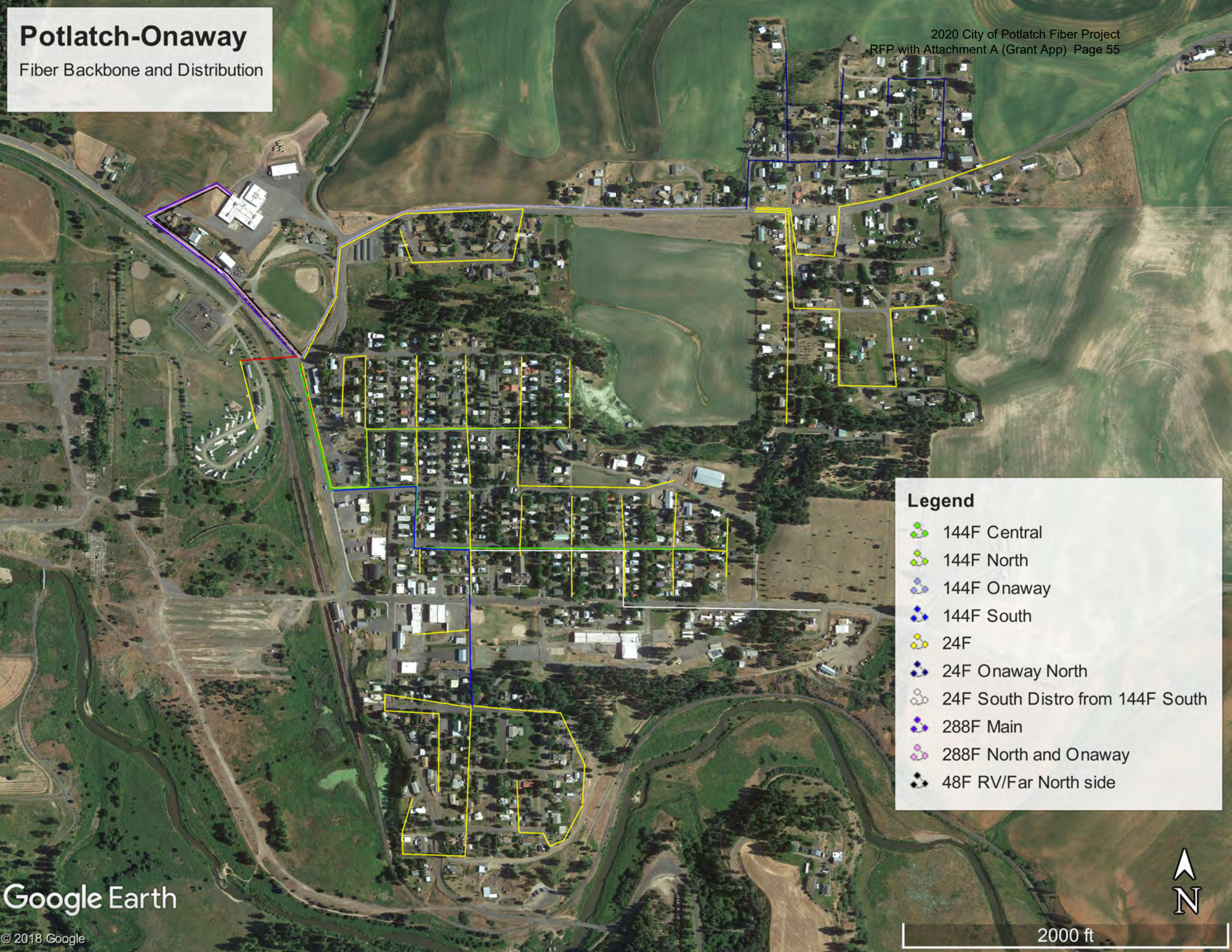
Take Rate	Drops	Build Cost Active Ethernet 50%	Yearly Operating Costs	Monthly Price Point $50	Annual Net Income	ROI Years	Monthly Price Point $60	Annual Net Income	ROI Years	Monthly Price Point $70	Annual Net Income	ROI Years
20%	52	$1,074,391.76	$18,000.00	$50.00	$13,200.00	81.39	$60.00	$19,440.00	55.27	$70.00	$25,680.00	41.84
35%	92	$1,088,189.26	$18,000.00	$50.00	$37,200.00	29.25	$60.00	$48,240.00	22.56	$70.00	$59,280.00	18.36
50%	131	$1,105,517.76	$18,000.00	$50.00	$60,600.00	18.24	$60.00	$76,320.00	14.49	$70.00	$92,040.00	12.01
100%	262	$1,155,169.26	$18,000.00	$50.00	$139,200.00	8.30	$60.00	$170,640.00	6.77	$70.00	$202,080.00	5.72

Special Case Build (Anchor Tenants and Central Potlatch Neighborhood Only)

Take Rate	Drops	Build Cost (Cherry) Active Ethernet 100%	Yearly Operating Costs	Monthly Price Point $50	Annual Net Income	ROI Years	Monthly Price Point $60	Annual Net Income	ROI Years	Monthly Price Point $70	Annual Net Income	ROI Years
20%	60	$430,607.76	$18,000.00	$50.00	$18,000.00	23.92	$60.00	$25,200.00	17.09	$70.00	$32,400.00	13.29
35%	105	$448,337.76	$18,000.00	$50.00	$45,000.00	9.96	$60.00	$57,600.00	7.78	$70.00	$70,200.00	6.39
50%	150	$466,067.76	$18,000.00	$50.00	$72,000.00	6.47	$60.00	$90,000.00	5.18	$70.00	$108,000.00	4.32
100%	300	$525,167.76	$18,000.00	$50.00	$162,000.00	3.24	$60.00	$198,000.00	2.65	$70.00	$234,000.00	2.24

Potlatch-Onaway

Fiber Backbone and Distribution



City of Potlatch Fiber Project

Question 12 - Supplemental

The City of Potlatch seeks to construct a fiber path extending into town from the western city limits through the central part of town along State Highway 6 (6th Street). It will be a 9.4 mile, 48-strand fiber path from a point of presence from the nearest community of Palouse, Washington to Potlatch, Idaho. Most fiber will be installed underground.

The project will build fiber to the Potlatch Jr.-Sr. High School, Potlatch Elementary School, Potlatch City Hall (Latah County Sheriff's Office located in City Hall), Potlatch Family Care, Latah County Library Potlatch Branch, and Potlatch Rural Fire District. Full services will be in place by December 15, 2020. The City is currently underserved and does not have available internet service at the level needed to meet current community demands—exacerbated by the COVID-19 pandemic.

Since the mill closed in 1981, Potlatch leaders have worked hard to transition from a company timber town to an economically diverse and thriving community. The City's population has ranged from 2,000 residents to where it is right now with a stable 800 population. The project is important because it will address needs that the City was working on before the COVID-19 pandemic exemplified by a 2018 Fiber-to-the-Premise (FTTP) planning report. The pandemic has clearly illuminated the realities of an inferior telecommunication system. This project will significantly improve access, reliability, and dependability for telehealth, distance learning (youth through the school system and youth and adults through the library system), public safety (law enforcement and emergency medical services), and local government where service needs through telecommunication have significantly increased. Eventually, it will directly serve the business and residents through FTTP leading to remote work opportunities and local job creation.

This project directly serves six (6) physical locations with each public facility receiving two (2) strands of fiber. Fiber will be fed into a fiber distribution panel (FDP) in the designated MDF (main distribution frame) location. Equipment will be installed in each MDF terminating the fiber. The fiber will be lit and will be useable by the project deadline. A SPF+ (Shortest Path First) or Copper handoff will be provided to each entity's network equipment. Each public entity will be worked with closely to ensure that the fiber and equipment are installed and tested properly. The fiber will meet the requirements of 1000Mbps/1000Mbps at each entity. The fiber internet can be scaled beyond 1000Mbps/1000Mbps upon request. In addition, the project will also have public WiFi provided at Scenic Six Park and will easily serve 100 or more residents. The Class of Service (CoS) will be at the highest real time priority available.

There are at least two, known Internet Service Providers (ISPs) that can provide service, technologies, equipment, installation, and operate the new broadband service. Through a Request for Proposal (RFP) process, the City of Potlatch shall procure an ISP to construct the broadband and operate the service. The City's open process will follow State of Idaho procurement statutes and grant requirements. The City of Potlatch shall require that the new fiber line is open and available for other service providers to

lease from the selected ISP. There will be some assurances made that the service fees for use of the fiber by ISPs and users is affordable. It is not the intention of the City of Potlatch to set up a situation where an ISP is provided 100% funding of fiber that is for their sole usage at prices that do not benefit the public entities needing the service. The design of the project may change based on the selected ISP (and their resources); however, the entities will be served with fiber as explained in this scope of work.

Currently, the City of Potlatch has services provided by at least two ISPs. According to the 2018 Feasibility Analysis (page 4) that was conducted for City of Potlatch (provided as an attachment), the incumbent broadband provider advertised that it provided "up to" 6 megabits per second (MBps) of service. A licensed and unlicensed microwave wireless internet presence is also provided. The Potlatch School District, Latah County Library Potlatch Branch, Potlatch City Hall, and Potlatch Family Care (Gritman Medical) currently have microwave internet service. Unlicensed microwave is also provided to Potlatch residents and small businesses as well as surrounding areas. The ISP provides an unlicensed wireless service on 5GHz and 2.4Ghz and recently offered an alternate wireless service providing the region's first fixed LTE wireless internet service.

The City of Potlatch is working from a 2018 Feasibility Study that was completed for Fiber-to-the-Home (FTTH). The study was funded through the Idaho Gem Grant program, the City of Potlatch, Latah County, a local ISP, Gritman Medical Center, Latah Credit Union, and a private citizen. The plan is attached to this application.

This project service public safety, distance learning, healthcare, and local government. It is critical to address current communication constraints that are extremely challenging because of the COVID-19 pandemic. The Latah County Sheriff's Department has an office at Potlatch City Hall and uses it to serve the City of Potlatch and surrounding non-incorporated areas. Gritman Medical Center has a Potlatch branch and is critical need of enhanced telecommunication services for telehealth. The Potlatch School District needs the ability to improve services throughout the City as it attempts to communicate with students at home. The Potlatch Rural Fire District and the local Emergency Management services is in need to respond to future COVID-related cases as well as other emergency service needs.

It was decided not to submit a full FTTH project because the City of Potlatch believes that it would be very difficult to secure the equipment needed for a larger-scaled project. This project will provide a very valuable central fiber system that will allow for FTTH capability. The City of Potlatch is working with a developer to annex acreage into the City of Potlatch on the east side of town for home development. This project will serve existing homes and businesses as well as this development.