

SPECIAL COMMISSIONERS MEETING – WEDNESDAY, JUNE 14, 2006
Fiber Optic Project Discussion

Attendance:

Gary Alto, Verizon	Mark D. Jeffers, Verizon
Mark Ansboury, OneCleveland	Bob Kenderes, Medina County Port Authority
Tammy Antonille, Medina County Port Authority	Gary Linden, Medina General Hospital
Ralph Berry, Medina County Port Authority	Scott Miller, Medina County Finance
Pat Beyer, City of Brunswick	Jeff Neidert, City of Brunswick
Jim Doutt, Medina County Economic Development Corporation & Medina County Port Authority	Sandy Neuman, Medina County Economic Development Corp.
Mike Eades, Verizon	Terry Oblander, Plain Dealer
Pat Geissman, Medina County Commissioner	Rob Paydo, Medina County Port Authority Chair
Jim Gerspacher, Fiber Optic Subcommittee Co-Chair	Curtis Perkins, Chamber of Commerce
Mike Giobbi, Armstrong	Sharon Ray, Medina County Commissioner
John Guran, Time Warner Cable	Brad Root, A. I. Root Co.
Macy Hallock, Jr., Fiber Optic Subcommittee Co-Chair	Jim Sage, The University of Akron
Steve Hambley, Medina County Commissioner	Grant Snider, The Ruhlin Co.
John Hamilton, First Energy Corp.	Anita Spacek, Sun Newspapers
Jim Habrian, Medina County District Library – Seville Branch	Thomas Strausbaugh, Armstrong
Lee D. Hlas, Verizon	Denise Sullivan, Medina Gazette
Mark J. Horner, Verizon	Joe Taylor, Armstrong
Bill Hutson, Westfield Insurance	Chris Thomas, Time Warner Cable
Chris Jakab, Medina County Finance	Larry Thompson, First Energy Corp.
	Chris Vaughn, Ohio Cable Telecom Assoc.
	Pam Vereb, Clerk to the Medina County Commissioners
	Rachel Winder, Verizon
	Karen Wolff, Armstrong

Stephen D. Hambley called the meeting to order at 10:00 a.m. with Sharon A. Ray and Patricia G. Geissman in attendance. Everyone introduced themselves.

Steve Hambley stated that there is an Executive Session scheduled for 11:30 a.m.; therefore, this meeting must adjourn by then.

Karen Wolff, Armstrong, thanked the Commissioners for scheduling the joint meeting so they can share information. She invited the cable companies to review the telecommunication company's present assets and future plans.

Mike Giobbi, Vice President of Engineering and Technology for Armstrong, gave an update of what Armstrong has done over the past five years in the Medina County area with its infrastructure. Armstrong completed a "rebuild" in 2002 to offer high-speed internet services. About 1½ years ago, they completed a major backbone upgrade, encompassing all of their properties in Pennsylvania and Ohio, tying them together and enabling them to offer a very high-speed internet connectivity, video services, and connections to the outside world. Various rings have been built, enabling internet access using cable modems. Large customers (hospitals, schools, factories) connect directly to Armstrong's backbone, aggregating traffic (to levels of 10 gigabits per second and beyond) to multiple rings where data centers in Pennsylvania are connected to multiple gigabit connections of various Care One internet service providers from Pittsburgh and Cleveland. They are also a phone company that has connections into the public switch telephone network for handing off voice traffic. They can connect with other cable operators (fiber interconnects with Time Warner in Ohio, Comcast in Pennsylvania, and other operators in Ohio) for passing traffic between the network. They handle service from residential through small business and up to large businesses; some factories in Pennsylvania have direct fiber optic internet feeds that are provided large amounts of bandwidth.

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Mr. Giobbi continued that they are in the midst of an upgrade. A ten megabit wing was built over six months ago for Video On Demand services. They are now building multiple gigabit wings so that within a month, they will be aggregating all of the video traffic to two master head-ends, one in Pennsylvania, that will provide all of the enhanced video services (current and future) from one central location to all of the Armstrong properties in western Pennsylvania and northeast Ohio.

Mr. Giobbi displayed a drawing of the fiber network throughout Medina County. It appears to be a spider web due to the vast amount of fiber that has been placed. There is a vast amount of fiber with interconnect to Time Warner and the fibers go south to Orville, west through the Wooster property, and southwest to Ashland. This forms a sonic ring for data, voice and video to the three systems (Orville, Medina, and Ashland). From Orville and Medina, there is a ring of OC48 (2.5 gigabits per second) that goes into Pennsylvania to tie the backbone together. He showed a more detailed map of their presence to the hospital and schools, the hub (on Church Road) in Valley City, and Medina City (including the jail) that showed the enormity of the coverage.

Another map showed the combination of Armstrong, Adelphia, and Time Warner's fiber routes in the surrounding area. He overlaid the Port Authority proposed fiber route, showing that it follows the fiber between the three aforementioned cable companies that exist today; only the core and edges to potential businesses differ. Armstrong has invested approximately \$20-million over the past five years in infrastructure upgrades in Medina County in order to offer advanced services to both residential and commercial customers.

Jim Douth, Medina County Economic Development Corporation, asked if they are directly connected to "points of presence". Mr. Giobbi stated that they are in Cleveland, Youngstown and Pittsburgh with both internet and Ethernet-type services and data capacity services (that is how phone traffic is handled for the public network). They use MCI as their hand-off partner for voice traffic.

John Guran, Senior Director of Commercial Services with Time Warner Cable, stated that their network looks similar to Armstrong's. On August 1, they are anticipating the merger of Adelphia and Time Warner Cable, thereby serving 80% of northeast Ohio. They offer both cable modem and fiber-based services to businesses. They are connected to Sprint and MCI, and built the connections for Medina County to Akron, Cleveland, Columbus, and other major Ohio cities. Over the past five years, he estimated that, collectively, more than five times what the County intends to spend has been spent to build the infrastructure. He requested a partnership to determine internet needs and how to extend networks to serve underserved areas.

Mike Eades of Verizon stated that he learned of the project this week. He is from the engineering side of the business and has reviewed all of the available information. He noted that Verizon Wireless has made a substantial investment and now that broadband services are available, V Cast and wireless data and backup for T1 are also available; this was a substantial upgrade and much money was spent. Future upgrades and features are planned. They have also been building their fiber infrastructure in Medina County, although this hasn't been published due to homeland security reasons. All of their five central offices have DSL and they have been competing with the cable modems. He noted that DS1 service five years ago was double or triple the cost of today's service due to competition. He stated that their customers negotiate new contracts every year and no long-term contracts are signed because of competition. New technologies will be emerging in the next couple of years that are going to change the scene. One of them is WiMAX that is a standards-based wireless technology that provides high-throughput broadband connections over long distances. (It can be used for a number of applications, including "last mile" broadband connections, hotspots and cellular backhaul, and high-speed enterprise connectivity for business.) All of the cable companies fear how it will affect their business. He warned that anytime they look at longer term plans, they need to take into consideration technology shifts.

Macy Hallock, Jr., Vice Chair of the Fiber Optic Task Force, asked if they planned to add FiOS or other advanced services in this county. Eades said he could not answer that at this time

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because it is competitive. He said Medina and Delaware Counties are growing markets and they evaluate Medina County as they do other communities. They have FiOS in Ft. Wayne, Indiana, parts of Florida and many territories on the East Coast. Mr. Hambley asked him to tell the audience about FiOS. Mr. Eades explained that a FiOS is a major undertaking costing millions of dollars that is down-linked from satellites. A full fiber is run into every residence, school and business and it competes with the cable companies. The fiber provides HDTV, TV, telephone, and internet at any speed desired. Mr. Hallock asked if there was any way to find out if Verizon has any intentions when to make that investment in Medina County. Mr. Eades said no; not until it is announced. Cable companies are now offering voice services, which is healthy competition, and likewise, Verizon is now offering complete video services.

Mr. Guran commented that this leads to an area of economic development issues such as the “last mile” issue, how to get higher-speed connections to the network and get past the on-ramps, and how to get fiber into an urban area. He said carriers such as Verizon and Time Warner would be happy to rent that conduit and extend their networks.

Ms. Wolff said the “last mile” cost is very expensive, so going forward with any business construction, they are recommending some sort of a program or code that requires businesses to put in conduit to assure access.

Mr. Guran said, that while this project is being debated and proposed, the project has been built two or three times over by all of them as competitors, but it is where they need to put their next investment; getting into the customer’s location. If they could find a way to identify those needs and prioritize them, that would help the strategy of how to treat the “last mile” hurdle.

Ms. Wolff said there is definitely overlapping existing today in Medina County and competition continues to drive prices down. One of the reasons they wanted to come together is that this project is in a small area of Medina County, but there are other areas also. They want to make sure a relationship is developed to be “in the loop” for ongoing and future needs so they can help. They need to plan on their investments going forward and plan where they need to build so it is important they have an ongoing relationship. She said now they would like to talk about what their present needs were today and in going forward, what the future needs would be.

Mr. Hambley stated that competition is true on different levels. He gave the sample of the Technology Park; he asked if Time Warner was willing to provide fiber optic to that location. He understood that it “dead-ended” 200 feet away by Deerview Lane. Ms. Wolff said Time Warner has been involved in these meetings as well. Jim Douth asked if they did not decline to run the conduit. Mr. Guran stated that doing the research, it was the communications piece. It was understood that when the trench was open, the timing did not happen. The reality is that they partnered with Armstrong; they are interconnected and could deploy one single fiber optic infrastructure into their end and take traffic back and forth.

Mr. Hambley asked where the consumer’s choice was then; at this point, it is two public utilities coming together to decide for the consumer (in this case, The University of Akron and the Technology Park) as to what is best to meet their needs. Mr. Guran answered that it’s Verizon, Armstrong, WiMAX - those are the options. From Verizon’s standpoint, they sell unbundled network elements and there are a half dozen other good local exchange carriers who develop dial tone customers here in Verizon’s network. They are committed to the leasing of the networks so that isn’t a lack of choices for the Technology Park. If someone wants to connect with A T & T and get dial tone, they can contract with Verizon and Time Warner. Mr. Hambley said he does not believe that Verizon could provide the distance-learning fiber optic high-speed capacity that is required for that. Mr. Eades said that Verizon is under tariff to provide that, but they would have to pay the rates and special construction charges to buy the tariff. They would have to do an ICB (individual case basis). The way the laws are written, whoever orders it has to pay the construction charges to extend the fiber so the services can be rendered. Karen Wolff stated they are all for bringing up the Akron University Project. They have contracted for eight years and they are looking at two more years since they were starting the negotiations regarding that

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contract. Because of different things that have happened throughout the State, the needs of the University may change as well.

Jim Sage of The University of Akron stated that their needs in Medina County are not changing. They still need connectivity into the high schools and they intend to continue offering distance-learning to high schools. The difference is that there is infrastructure and alternatives now that weren't there when The University of Akron built their network. They intend to turn off their proprietary network and look to the commercial proprietor to provide an alternative. They will negotiate their costs with Armstrong and Time Warner, hopefully with the existing network in place. The University is committed to a fiber ring (not the fiber ring) in Medina County because they need connectivity to the high schools. They would prefer not to be in the networking business, which they are today.

Jim Doutt stated that there are a number of entities, private and public, that support the project (The University of Akron, Medina General Hospital, Medina County District Library, Westfield Group, Medina Area Chamber of Commerce, cities of Brunswick, Wadsworth and Medina) and letters of support have been received. They realize there is a lot of fiber in the County and are not denying their investment. But, if the needs of the customer are being met, he asked why there was so much support coming forward for the project. He noted that this methodical, deliberative project has been in process for over four years, and the opportunity for dialog has always been open; in fact, some had attended open meetings and Armstrong Cable was approached for a proposal. That door is still open. John Guran had mentioned partnering and that is something that had never been uttered before by anybody in cable or telephone companies.

Mr. Doutt noted that Mark Ansboury, Chief Operating Officer of OneCleveland and the Quantam Community was present; they have a track record in Cuyahoga County who partners with cable companies. Mr. Ansberry said he could add a slightly different vision. OneCleveland was lucky to have CavTel donate four fiber rings in the Greater Cleveland area a few years ago. One of the things realized quickly was that they were never going to have enough capital to purchase the "last mile" of infrastructure to provide interconnectivity to everyone. They also realized that they wanted to use it as an economic development model to promote growth within the community. One of the first things they did was develop relationships with the common carriers and with the cable companies (Adelphia, SBC, Time Warner); this enabled the companies to also grow their business, thereby driving costs down and giving substantial buying power. They had the ability to aggregate community demand and that is what most communities forget. Aggregating K-12 schools, higher education, government offices and services, and non-profit organizations gives a fairly substantial buying power. This made it easier for the cable companies to build an infrastructure because community intranet was created, increasing the demand for usage in a common framework. Another powerful approach was creating a community "intranet" that gave those that connected to that network the ability to talk to each other and the "meter was not running". Some of the companies that were using T1 line(s) are now using 100-450 megs of capacity because they were able to drive down the cost and increase opportunities to communicate and collaborate with other institutions without excessive costs for all those points of internet. Strategic investments were made and they utilized \$8 million in Federal funding made available to public schools. The Cleveland Clinic donated \$10 million to the Cleveland Municipal School District to get schools connected. They partnered with Adelphia to develop the infrastructure to build eight fiber rings to accommodate 105 schools in Cleveland. The real advantage is that they were building infrastructure to also support the community, thereby providing lower access costs for commercial and residential customers. The reason they were able to form the public/private partnership opportunity was because they had the ability to go to multiple carriers to make it happen. They have also utilized long-term capital leads of fiber, and they have a one year right-of-use to access to dark fiber for any purpose they choose. They use technology to give them the band width and capacity they need. The issue is to build the relationships to help mitigate the risk of the price, flexibility, and technology, and realize that there is a certain amount of aggregate demand within the County, community, and municipality that they can leverage, but it is the commercial industry and the other opportunities outside of that that are the real growth opportunity. Being able to take that and leverage that with partners in such a way that they can create the demand and the anchor tenant type of model so the carriers

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will build infrastructure with them as they go out into the community so they can attract new businesses. For example, they placed dark fiber in Playhouse Square in five or six buildings, thereby creating a “block environment” and this has attracted about a dozen businesses that use 100 or 500 meg internet capacity. The premise of their connectivity and business model is – connect...enable...and transform. This means you have to facilitate connectivity because it just doesn’t happen by itself. You have to drive an economic model that makes sense and is attractive within the community and for your partners. If it is not a “win-win”, there is no growth.

Bill Hutson, Westfield Group, asked if his business model was successful. Mr. Ansboury said yes; they started with no money two years ago. They had donations of fiber and equipment. Their goal was to be self-sustaining within two years and they met that goal six months early. It could not have been done without partners.

Jim Doutt stated that they have met with Mr. Ansboury on three different occasions recently to question him about the Medina County project. They see significant potential and would not be to the exclusion of any entity. It would be wide open for companies to have access and provide services.

Karen Wolff indicated that the infrastructure is already built; it is already there. Jim Doutt asked why cities, companies, libraries, and healthcare institutions are telling Economic Development they want the fiber ring to be built. Ms. Wolff said that future builds will give everyone more opportunity at lower rates. Armstrong has the fiber there and it is just a matter of talking with them about leasing dark fiber and working together, which has always been available. Mr. Hallock stated that he had attempted to contact Armstrong and calls were not returned. Ms. Wolff said four or five years ago it was asked that Armstrong build it and give ownership to the group who would compete against them and not to use existing, but overlapping, fiber. That did not make any sense. As far as infrastructure now, there is an opportunity to lease fiber from Armstrong and they would be very glad to talk to them about doing that. Jim Gerspacher, Fiber Optic Committee, stated that the request was for Armstrong to submit a proposal and no restrictions were given; no response was received.

Mr. Guran discussed again the expense of the “last mile”. He said OneCleveland had other funding mechanisms such as grants to address that cost. If they spread the cost among different entities, that might address that barrier. The barriers are not in the network backbone, but connecting to the backbone. If they could establish ways in downtown Medina or in industrial parks to aggregate traffic and pay upfront, that would open up the network.

Mr. Doutt said that was encouraging to hear him say this. He said Ms. Wolff inferred the supporters of the project did not have the strategic information to make valid choices. He stressed how much study and effort had gone into the project thus far to make sure everything has been in order, which they have shared with the organizations. Ms. Wolff apologized and said talking about financially building a relationship and seeing how they could “co-work” to meet their needs that they feel they have, there are concerns with the viability of doing it independently versus working together and finding some opportunity to meet the needs as well as not having to go to the financial risk of building. Mr. Hambley asked if she was speaking for all of the public utilities assembled here throughout the County. She said they have talked and it is a matter of getting together and talking specifics; certainly the opportunity is open. Mr. Hambley said the opportunity has been open to all of the entities for the last four years. They have been having meeting in an open process involving the utilities. There are other parts of the County not serviced by Armstrong where there is significant demand and Time Warner will be assuming those responsibilities from Adelphia. He comes from a community (Brunswick) that is woefully underserved in its capacity. This project is looking at the entire county. He understands the aggregating approach that Cleveland took, which benefits those with infrastructure. Their problem is not just “last mile” issues. They have inadequate technical capacity issues now and will in the future.

Mr. Hallock said there has been a great deal of deliberate planning, surveying, engineering, and outside consultants involved; all done on a “shoe-string”. This has been done in a detailed and

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methodical manner because the business people involved are all conservative, fiscally-oriented individuals whose attitude was that they need “more and better”, but they also need to pay for it. They are not looking for a government handout or someone else to solve their problem. They methodically found there was a need for more capacity and speed that was retarding the economic growth of this county. Businesses were making choices to move elsewhere because they could get better services for less money in Strongsville, Fairlawn, or other areas that offered a similar quality of life and the same amenities as Medina County. As they put it together and aggregated it, it was documented publicly. They developed a sound economic approach to provide a higher level of services to provide innovation above and beyond the products and solutions that the current carriers were willing to offer. The attitude they got from the existing carriers was that they would negotiate anything, but it will take months, it would be at the carriers’ price, and delivered when the carrier wants to deliver it. The approach they have taken is to provide open access to many different carriers because they have found that the customers have different visions and uses for the services. They do not want to dictate what they do with the service, but to facilitate the ability to connect and connect at very high rates of speed to the rest of the world. (The rest of the world being at neutral meet points in Akron and Cleveland where major and national backbones connected.) This could be Level Three, MCI, Verizon, Sprint, the State of Ohio’s Next Generation Network, or other academic and Homeland Security networks that exist. This needs to be facilitated and made available at the same level and prices that are made available elsewhere in the more urban counties. They want to “level the playing field” and create an advantageous situation for academic, institutional, and private enterprise.

Mr. Hallock said because this has been open and published, they thought partners would emerge to provide even more services that they had not envisioned such as overlay wireless networks. They contemplated that, but were unable to financially incorporate it. The key is local control because many of the decisions were being made by out-of-town companies that envisioned Medina County to be a “bedroom community” rather than a vibrant industrial area with educational and intellectual services being developed. It also would not restrict the ability to innovate. They would require very high band width at reasonable costs. The design is conservative, but expandable. They publicly stated that they were very interested in partners and incumbents coming forth with proposals to satisfy the needs of this community, but they would not relinquish the control that this core network provided to provide the opportunities for the businesses and institutions to benefit from the highest level of technical service available throughout the country. Time and time it has been proven that where high technology is introduced, demand increases from all users, more disposable income is generated in households, a higher educated workforce is available, more jobs are created, and this is precisely the mission of the economic development umbrella from which this project was created and was meant to serve. The challenge is to regard this as an opportunity for people to come together and partner. Whether that is done and includes or excludes the incumbent utilities is not a decision of the Fiber Optic Subcommittee – that is a decision the utilities can make. He reminded them they are talking about a proven model and the opportunity was created because fiber optics became available that competed with the existing carriers and those carriers realized there was an opportunity to do more and benefit, as opposed to refusing to connect. He invited the utilities to explore the opportunity and make Medina County a better place and more progressive, better-connected community for its residents.

Mr. Gerspacher thanked the utilities for coming together in an unprecedented manner to save them from making any mistakes and spending dollars they shouldn’t be. The fiber loop has presented a legitimate alternative. Unless this group decides to take charge and offer the collaborative model to provide the redundancy, competitiveness, open access, and local control goals, then this would be a missed opportunity. Hopefully, they will see a change in direction, but if not, they still intend to continue with their collaborative effort to provide the model for them to participate in at some future date. Mr. Guran stated that they made a good point regarding this project highlighting the needs of Medina County and perhaps, their realizing there was some potential. They can declare victory and say that during the time they planned this project they got the carriers to build the network for them and make an investment in it. The focus is the next vision. They do well in working with groups like OneCleveland when they know specifics; getting from point A to point B. The State of Ohio Third Frontier Network has

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negotiated competitive on-ramps through competitive bids. Tell them what needs to be done and they will find a way to make it happen. But, what they do not do and cannot do as an industry, is say they think this technology is going to happen five years from now so they are going to deploy something because the answer five years from now it might be WiMAX. They deploy wireless today – Verizon Wireless – that is a huge growing business, so it is not necessarily fiber. The last thing they want the public to do is strand an investment that is no longer needed. The State of Ohio and The University of Akron invested a lot of money ten years ago that was not effective, but it demonstrated that distance-learning is possible. Mr. Doutt said this project will be successful when the businesses in this county are saying their technology needs are met and then some. Every day it becomes more evident that broadband capacity is a priority for economic development. They are not telling them what specific proposal to bring to them, they are just inviting them to present a proposal – that door is open. The issue of the “last mile” was brought up again. Mr. Doutt said the fiber ring is to provide access to services. Mr. Hambley said there are a number of partners in the initiative and he has yet to hear that the capacity, redundancy and reliability are not needed. He takes exception to critics that say the project involves politically well-connected businesses. This is largely a public sector initiative; the library, hospitals, and County and local government. They say there are choices, but as an individual consumer, he only has one choice and it is not a very good choice. The large users only have very limited choices and it does not meet the criteria they need in their particular industry.

Ms. Wolff questioned the capacity issue and asked who does not have it. Jim Habrian of the Seville Library said they do not and he spoke to Armstrong about it. They use Verizon for T1 lines because their buildings are in all areas of the County. Mr. Eades said they will be renegotiated for a higher speed circuit in a year. That will dovetail into whatever project does or does not happen here. Mr. Habrian said their DS1 service goes down every time it rains. He has been told by the technician that the infrastructure is in poor shape, there is not enough demand; and it is too expensive to update. He is excited about the fiber loop and the possibility of getting more competition to allow other options for small communities and to drive down costs. He does not see this right now.

There was a short discussion about the service in the different areas of the county and only being one provider choice in reality, but by law, anybody could offer for phone, but not for cable. The “last mile” issue was brought up again. Mr. Hambley said it is not a “last mile” issue for the hospital, library, the County, or Westfield Insurance. Mr. Eades said most of Verizon’s competition is coming from providers like Vonnage. Mr. Hallock said many of the major providers do not regard most of Medina County as prime territory for development. They are looking at using this network as leveling the playing field and facilitating competition and more services in an area that is underdeveloped due to demographics so they invest elsewhere. The needs in Medina County are real today especially if they are looking to keep and expand their industrial base and compete with other communities. The mission of the fiber ring is an open wholesale services platform that any provider can gain access to on equal footing at low cost to provide those around that ring and even provide a platform for expansion of services.

Chris Thomas, Time Warner Cable, asked how much it was going to cost to connect the libraries. Mr. Hallock said they did not know that. Mr. Thomas said the others do not know how much it would be to connect either and asked who would be willing to write a letter, sign a contract, or pass a resolution with that unknown. Mr. Doutt said they never asked for contracts, just intentions, and asked Mr. Thomas if he would sign a contract for something that was not built yet. Mr. Hambley said it is more than the providers have given; they have been involved in coming to the meetings, evaluated the project, have been part of the design, identified it and look at the business model, and they are going to be ongoing partners in this project. They are inviting them to do the same and be involved. Perhaps strategic fiber is where they should focus. They are sure that all of the large entities have assembled stated there is a need that the current providers have not provided, are not currently provided, the future is uncertain, and that they have an opportunity to work together and provide that. They need to look at the plan and refine it. The decision will be made based upon the public benefit, not just corporate interest. Public benefit would improve the marketability of the County, its future in terms of access in communication, and return on investment. Mr. Hallock discussed the importance of having the

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ability to choose and competitive benefits. Ms. Wolff said competitive prices of services versus what the cost is to get the services is “apples to oranges”. “Last mile” gets put off as not that big of a deal, however, they need to be aware of what “last mile” pole extensions are all about.

John Hamilton, First Energy, commended their effort and said it is an immense undertaking. They calculate about 2,000 poles for the 88-mile project. The “make ready” cost (the cost required to provide space on the poles) would probably be \$2-4 million dollars. There is a joint pole agreement with the cable companies and a joint venture with Verizon. He wanted the group to be aware of the costs and the time factor in congested areas. Ms. Wolff asked him about “last mile” considerations if a business would want to hook on a pole with the fiber network. Mr. Hamilton said there would be a proposal submitted, the pole would be checked for available space, and there would be an estimate prepared. There are many different costs depending need. An average cost is \$3,000 to \$5,000 per pole. A detailed study was not made, but a contract could be negotiated. Mr. Hallock said that is why they brought in a person that was experienced with other networks. They realize there would be a substantial one-time cost involved and an ongoing annual variable cost associated. In some cases, choices were made and different routes are chosen to provide necessary services to solve those issues.

Curtis Perkins, Medina Area Chamber of Commerce, commented that it sounds like this meeting should have taken place a long time ago. Now that it has taken place, he asked if the Commissioners were going to give people time to see exactly what Verizon, Armstrong, and Time Warner are going to do. Mr. Hambley said they have not contemplated any specific action at this time. He suggested that the Port Authority and the Fiber Optic Project Committee (who would become the providers) discuss these issues and they will follow up soon. They have a plan that is being analyzed on and the Finance Director is involved. If incumbent providers can improve the plan and identify areas that do not need an investment to meet the needs of the partners, that would be fine. The project is going to continue. Commissioner Geissman said it will be months before they are able to go forward. Mr. Hambley said the process will not slow down. What is on the table is how to make the proposed project even better - if the incumbent providers can help, that would be even better.

Mr. Doult asked Ms. Wolff if she had any contact with the Ohio Taxpayers’ Association. Ms. Wolff answered that she had made contact with them. She phoned them and informed them of the concerns regarding the project. Mr. Doult asked her if she was aware of the statement they made that this project is for the benefit of a few politically well-connected companies. Ms. Wolff said she is familiar with it because somebody had gotten the call. Mr. Doult asked her if she would acknowledge that it is not a true statement. Ms. Wolff said she does not provide any script. Upon questioning again, she said she has no basis to say that would be true. Mr. Doult said that is because that it is not true. There is the hospital, schools, libraries, and governments all lined up as part of this project. The comment is a low-blow. He is sincere when he says they are ready to partner and they want to see this project happen. The door is wide open.

Ms. Ray said she and Ms. Wolff have been talking about this for four years. She has repeatedly asked her to get everybody “to the table”. The attack was made with the Ohio Taxpayers’ Association and only the reality that they may be moving forward with this project has brought everyone into this room today. Ms. Wolff said when she contacted the Ohio Taxpayers’ Association along with many other different groups to inform them about the project’s activity; it wasn’t a matter of telling them what to say or how to react, but just to have the information. She gave them, along with a lot of business people, a book called “Broadband, Digging Beneath the Surface”. Greg Vaughn, Ohio Cable Telecom Association, said it was a collaboration of private network providers. The studies were paid for by a municipal-backed organization. The fact that there are so many different opinions out there should give them pause when they are thinking about this. In Ohio there has not been a lot of positive experience with these types of projects. He is sure Medina County does not want to be the next Butler County and the problems they have had with the F.B.I. investigating that fiber ring. He is concerned when government enters the private sector or a marketplace where the private sector is already providing the services. He said they should take into account all the information before the project moves forward.

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Mr. Doult said this project has been a very deliberative, open, four-year project. He said they are ready to partner and the “ball is in their court”.

Mrs. Geissman said she thinks it has been even longer than four years since they have been discussing the fiber ring. Many of the same people have been part of the conversation. This meeting today should have been held a long time ago. She feels there should be a partnership because they are talking about a great deal of money. They are open to listen if the incumbent providers have something to propose.

Mr. Hambley recessed the meeting for the public Executive Session to discuss Personnel/appointment and Personnel/investigation of complaints against a public employee at 11:50.

The meeting adjourned immediately following the Executive Session at 12:40 p.m. Ms. Ray motioned to adjourn; seconded by Mrs. Geissman. There was no discussion. Roll Call showed all Commissioners voting AYE.

MEDINA COUNTY COMMISSIONERS:

Stephen D. Hambley

Respectfully submitted,

Sharon A. Ray

Pam Vereb, Clerk

Patricia G. Geissman