



MEDINA COUNTY FIBER NETWORK

FIBER FACTS

DESCRIPTION

The Medina County Port Authority's (MCPA) fiber optic cable network consists of 151 miles of dark fiber throughout Medina County, connecting all major metropolitan areas in the County with 144 strands of dark fiber and providing connectivity to the existing fiber network in the City of Wadsworth and fiber networks in Cuyahoga and Summit Counties.

The Medina County Fiber Network (MCFN) will create a high bandwidth, neutral platform that will enable governmental subdivisions and agencies, libraries, schools, hospitals and medical facilities, businesses and industry to gain broadband connectivity on advantageous terms. The MCPA will effectively create an e-Corridor linking the participants, not only to one another, but also to carrier facilities and carriers throughout the region and to serve as a gateway to alternative services and networks.

MCPA will provide broadband transportation services on the network, and does not intend to provide services on the network that would compete with local service providers. Network neutrality is a critical component of the fiber ring, in order to encourage sustainable adoption of broadband service throughout the county.

CONSTRUCTION SCHEDULE

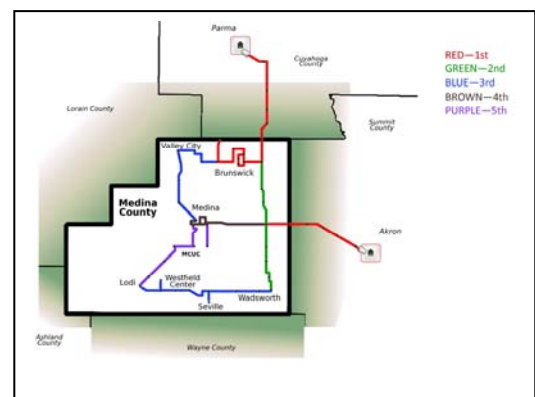
MCPA has contracted with OneCommunity to construct the fiber network, which began in October 2010 with pre-engineering and final route design. During the first half of 2011, OneCommunity and MCPA will finalize pole attachment agreements with utilities, obtain permits for the underground portions of the planned route and begin construction.

The first users are projected to receive service in the fourth quarter of 2011, and the remaining portions of the fiber ring will be completed in early 2012, when the MCFN will offer complete broadband redundancy.

FIBER ROUTE

The fiber ring consists of a connected northern ring and southern ring, with extensions into Cuyahoga County and Summit County, where the MCFN will be connected at Points of Presence locations in Parma and Akron.

Initial construction will take place coming south from Parma and west from Akron. Construction along Route 94 from Brunswick to Wadsworth will then connect these two sections. With multiple crews working at the same time, construction on the northern and southern rings will take the fiber route west, into Valley City, Medina, Seville, Westfield Center and Lodi.



BOND OFFERING OVERVIEW

The Medina County Port Authority issued \$14.4 million in revenue development bonds in December 2010. Fees from users will pay off the 20-year bonds, which include \$5.3 million in Recovery Zone Economic Development Bonds, \$7.7 million in Recovery Zone Facility Bonds and \$1.4 million in Taxable Bonds. As part of the 2009 American Recovery and Reinvestment Act, the Recovery Zone Bonds issued will return subsidy payments to the Port Authority, which lowers the overall cost of the project.

To successfully market and sell the bonds, underwriter R.W. Baird set up a bond reserve fund system, which is backed with a commitment from the Medina County Commissioners. In the event that MCPA needs to tap the bond reserve fund to make bond payments in a given year, MCPA can borrow money from bond reserve fund, which will be repaid with future revenues from user leases.

The following municipalities and organizations entered into agreements to back the bond reserve fund: the City of Brunswick, the City of Medina, the City of Wadsworth, the Village of Seville, the Village of Westfield Center and Cascade Capital Corporation.

LEVELS OF SERVICE

Metro Area Network (MAN) Options

MAN (10 Mbps)
MAN (100 Mbps)
MAN (1 Gbps)
MAN (10 Gbps)
MAN (40 Gbps)
MAN Gateway Cross Connect

Dark Fiber Options

Dark Fiber (Metro Ring)
Dark Fiber Metro Access
Dark Fiber (PT-to-PT)
Dark Fiber (Regional Capacity)

For pricing information, contact Rich Dugger at OneCommunity, 216-923-2290 or rich.dugger@onecommunity.org.

MEDINA COUNTY PORT AUTHORITY

Board members of the Medina County Port Authority:

Ron Paydo, Chair
Bill Frantz, Vice Chair
Jim Gerspacher, Secretary

Todd Gerber	Bob Kenderes
Dean Harris	Laurie B. Price
Bill Hutson	Robert "Skip" Trimble

MCPA FIBER NETWORK COMMITTEE MEMBERS

The Medina County Port Authority appointed the following individuals to the Fiber Network Committee, who have spent countless hours since 2008 to bring the fiber planning process through financing and construction:

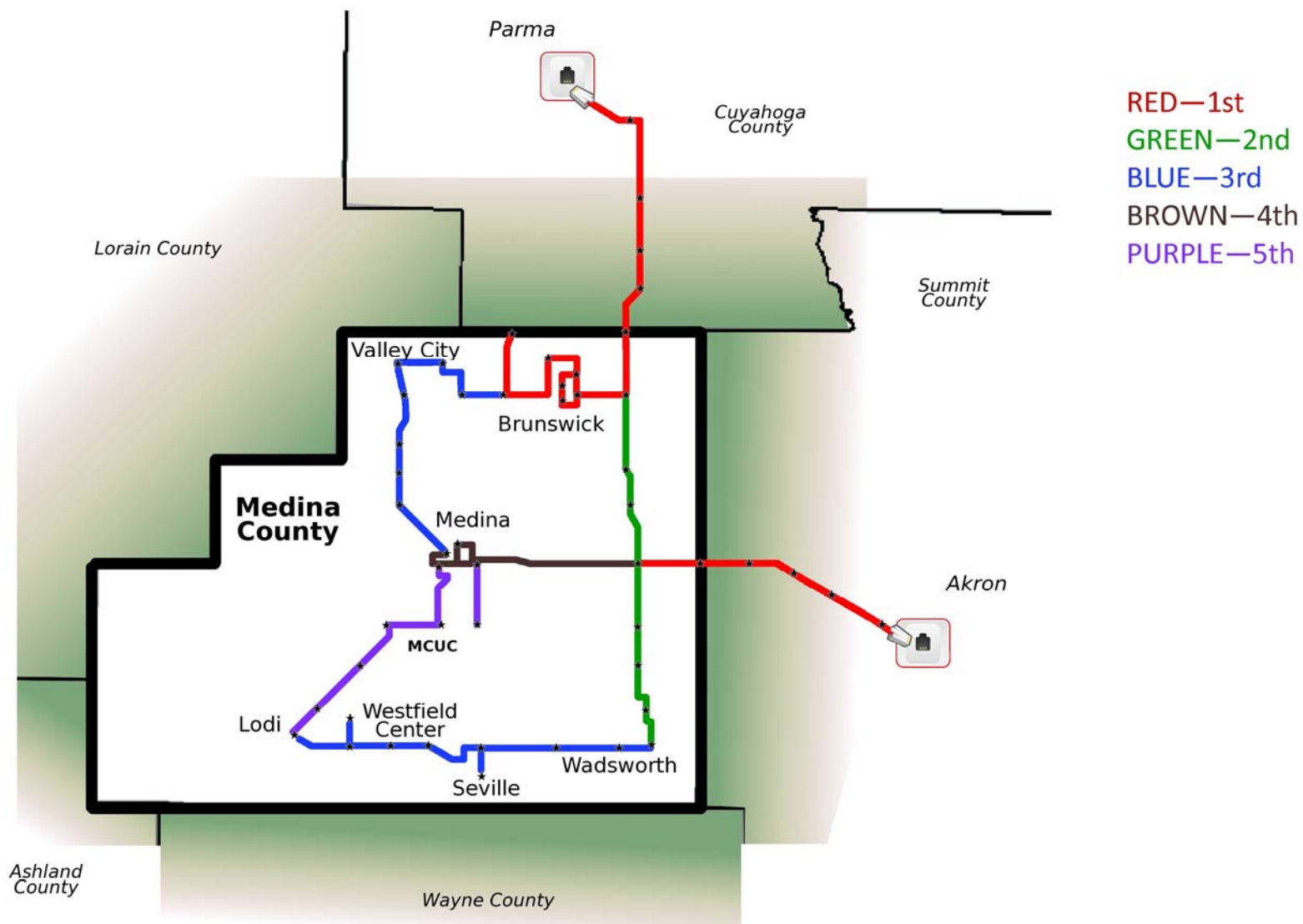
Jim Gerspacher, Fiber Committee Chair
Bill Hutson, Fiber Contract Negotiations Chair

Bethany Dentler	Gary Linden
Macy Hallock	Russ Schabel
Rod Keeley	Tim Smith



MEDINA COUNTY FIBER NETWORK

PLANNED ORDER OF CONSTRUCTION





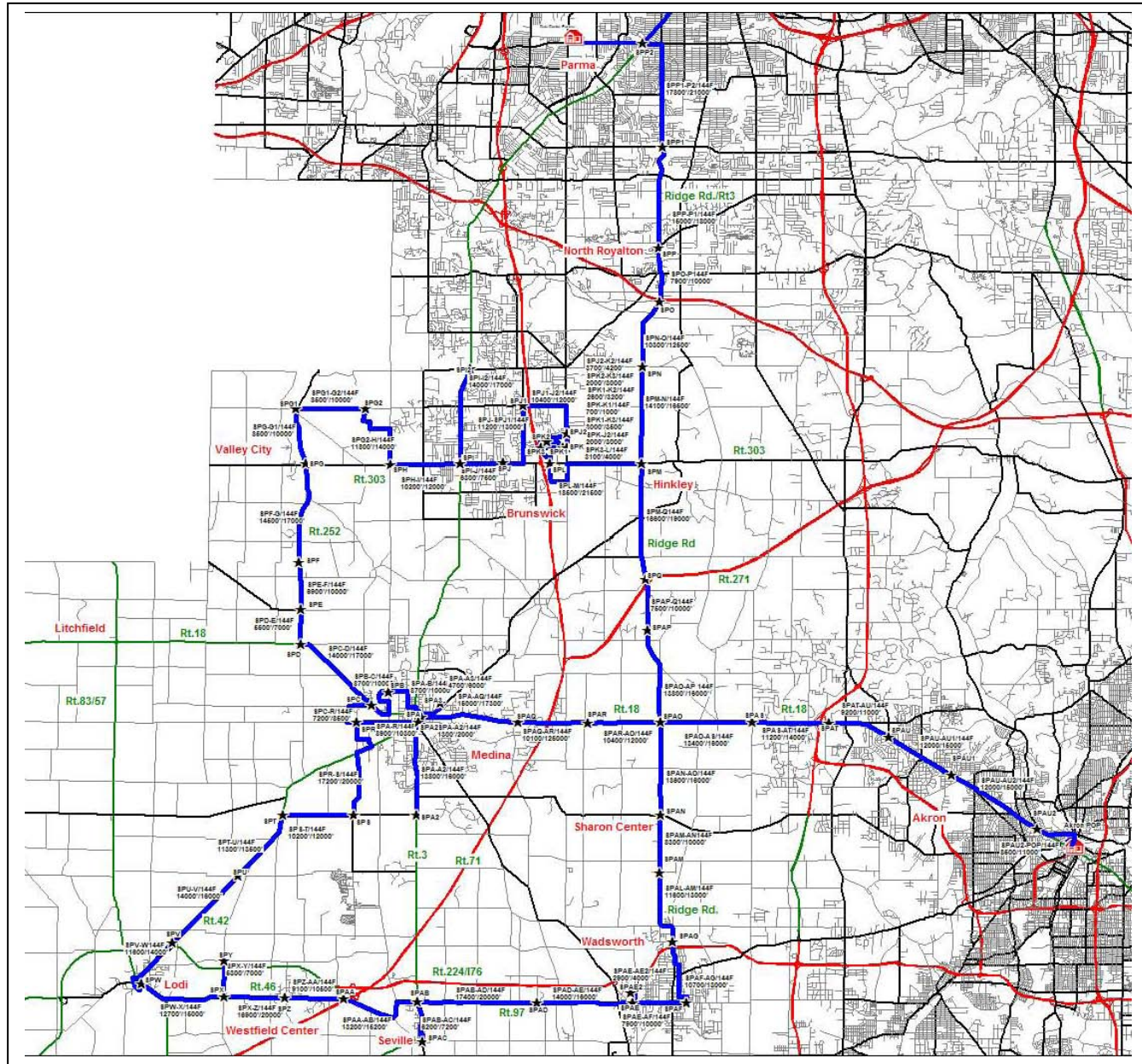
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OVERVIEW OF FIBER ROUTE

Map Guide

Medina County Fiber Network route shown in blue, with interstate routes in red.

Asterisks along the route indicate splice points in the network from which lateral connections can be extended to user facilities.





ECONOMIC DEVELOPMENT PARTNERSHIP

PARTNERSHIP OVERVIEW

The Medina County Port Authority (MCPA) is partnering with the Medina County Economic Development Corporation (MCEDC) and OneCommunity to construct and operate the Medina County Fiber Network (MCFN).

As a private non-profit corporation responsible for economic development in Medina County, MCEDC will assist in marketing the ring and attracting private sector users. During the construction phase, OneCommunity will work with MCEDC to develop a marketing and communications plan for the fiber network. This includes creating and promoting service offerings, promoting network access and MCFN's value, as well as developing a pricing strategy that provides an economic advantage to Medina County.

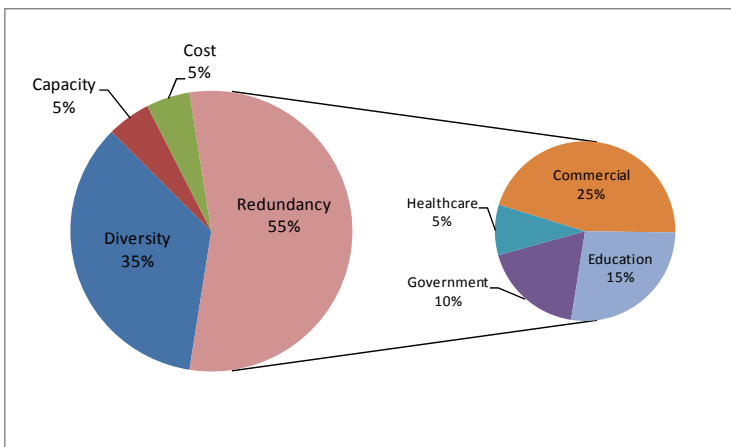
ECONOMIC DEVELOPMENT IMPACT OF MCFN

The principal purpose of the Medina County Fiber Network is economic development and job creation. MCEDC projects that the fiber network will create 218 new jobs in the county as a result of the use of the fiber ring. With an average estimated weekly wage in Medina County of \$674, these 218 new jobs are estimated to add \$7.6 million in payroll to the county. In addition, 31 construction jobs are estimated to be created, with a payroll of \$5.9 million.

The types of jobs that are estimated to be created include jobs directly related to MCFN: telecommunications jobs created from given broadband investment and jobs created directly through the manufacturing of required capital equipment. Jobs will also be created through induced impacts in the communications industry and network effect multipliers.

MEETING ECONOMIC DEVELOPMENT NEEDS

During business outreach surveys conducted in 2010, MCEDC found that 60% of Medina County employers surveyed expressed an interest in the Medina County Fiber Network because they were experiencing fiber problems ranging from lack of broadband capacity, reliability issues and the need for redundancy. Along with businesses which have provided a letter of intent to become a user of the fiber network, these employers



represent companies throughout the county with 7,160 employees which are potentially affected by fiber issues.

During the Port Authority and OneCommunity's feasibility studies for MCFN, 55% of potential users surveyed said their most important broadband need was redundancy.

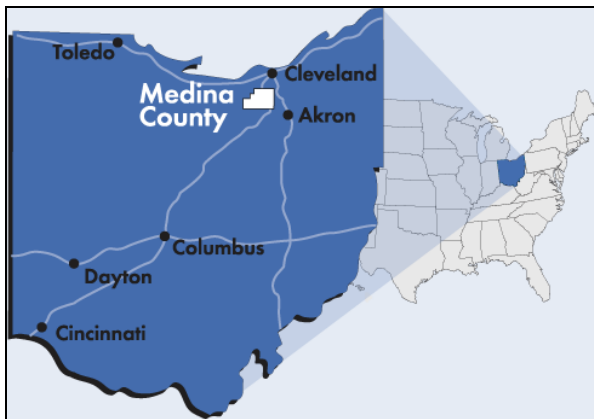
Another 35% indicated that a diversity of broadband sources was the key to their growth.

The fiber network will also allow the County to address some significant challenges facing the public and private sector as the demand for broadband services continues to grow. These issues include:

1. Convergence of voice, video, and data content networks
2. Connectivity obstacles in Medina County
3. Growing importance of connectivity services for economic development, including retention of existing businesses, attraction of new businesses and facilitation of education and job training.

MCFN's connection to a multiple-county network in northern Ohio will expand the viability of community broadband and facilitate regionalization, collaboration and sharing of resources, lessening the burden on government and facilitating regional economic development.

MCEDC BACKGROUND



The Medina County Economic Development Corporation (MCEDC) is a public/private non-profit organization that has been serving the interests of the commercial and industrial sectors of the county since 1986. With membership composed of a wide variety of companies, governmental entities and educational institutions, MCEDC's members are stakeholders taking a proactive stance to positively impact the economic vitality of the county and the region.

MCEDC manages economic development growth in Medina County, which has been the 5th fastest growing county in Ohio for the past two decades.

The organization also markets and manages tax abatement programs for three Enterprise Zones and nine Community Reinvestment Areas in Medina County. From 1998-2010, MCEDC assisted companies to create over 3,000 new jobs and to invest \$425 million in new capital.

MCEDC serves as the administrator for the Medina County Port Authority which is developing fiber infrastructure for the county and also provides competitive financing opportunities to businesses looking to expand or locate in Medina County.

CONTACT INFORMATION

Executive Director:

Bethany Dentler, CEcD
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MCEDC Staff:

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Jodi Robbins, Administrative Assistant • E-mail: jrobbins@medinacounty.org
Annie Fink, Administrative Assistant • E-mail: afink@medinacounty.org



**MEDINA
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ONECOMMUNITY PARTNERSHIP

OVERVIEW

The Medina County Port Authority (MCPA) selected OneCommunity to construct the Medina County Fiber Network (MCFN) in 2008. A contract has also been signed between MCPA and OneCommunity to manage the operations of the network upon completion of the network.

With the support of MCPA and the Medina County Economic Development Corporation (MCEDC), OneCommunity will develop a marketing and communications plan for the fiber network. OneCommunity has dedicated an Account Manager to support the Medina County project, who will work with the economic development director of Medina County to develop a comprehensive strategy that includes the following:

- Promote and create service offerings
- Promote network access and value of the Medina County Network offerings
- Develop a pricing strategy that meets the needs of the county and provides economic advantage to Medina County economic development.

OneCommunity will also manage the marketing and sales process for the Medina County Fiber Network, including prospect management, advertising, fiber leases/customer service contracts and construction of fiber laterals from the main route directly to customer facilities.

Administrative duties will include accounting, financial reporting to the Port Authority and customer service. Through the management contract with the Port Authority, OneCommunity will oversee Network Operation Services that include maintenance of the fiber ring, capacity monitoring, problem tracking and resolution, network monitoring and network upgrades.

ONECOMMUNITY BACKGROUND

Based in Cleveland, OneCommunity is a nonprofit organization dedicated to accelerating the adoption of information technologies to drive economic development in Northern Ohio. OneCommunity connects more than 1,000 public and nonprofit sites via its regional fiber-optic broadband network, one of the fastest open networks in the world.

OneCommunity works with public- and private-sector partners to lead innovative programs in health care, education, workforce, government and economic development. The organization is driving a new civic paradigm, where all citizens benefit from the application of innovative technology and shared resources, designed to accelerate economic prosperity and build sustainable communities.

Internationally recognized for its innovative public-private multi-stakeholder "Community Network", OneCommunity provides Community Broadband Service Exchange between telecommunications incumbents, cable and alternative service providers.

ONECOMMUNITY GRANT FUNDING

Currently covering 10 counties in Northeast Ohio with more than 400 sites connected, OneCommunity was awarded a \$44M broadband stimulus grant in 2010 to extend high-speed network to 22 counties. The Medina County Port Authority was among three sub-recipients of that grant, and the Medina County Fiber Network was awarded \$1.6 million from the Comprehensive Community Infrastructure (CCI) grant from the U.S. Department of Commerce.

Prior to this announcement, a coalition that included OneCommunity won an \$18.7 million grant for sustainable broadband adoption from the U.S. Department of Commerce's Broadband Technology Opportunities Program. Connect Your Community (CYC) is a two-year effort to engage, train, equip and support 26,000 low-income residents in five states to use the Internet.

ONECOMMUNITY PROJECTS

Government

- Constituent access to critical knowledge and services through Web-based information and interaction
- Aggregation of government bandwidth demand and related IT services
 - City of Cleveland and Mayfield Village

Public Safety

- Public emergency response
- Enable local law enforcement to rapidly access and search content from video surveillance cameras to improve response times
 - The City of Akron

Education

- Connected 117 Cleveland Public Schools to a community network
- Extend the region's ability to deliver digital content and distance learning programs to the K-12 and Library networks of Northeast Ohio
 - Ideastream and Cleveland Foundation

FCC Healthcare

- Broadband initiative, in support of the Telemedicine and Health Information Exchange (HIE)
- The goal of Health Net is to extend the current network and install additional gigabyte optical fiber connections to hospitals in the rural areas of Northeastern Ohio
 - 400 mile high-speed fiber network

Cuyahoga County

- 5-year operations engagement for broadband consolidation of County sites
- Enhanced technology services leading to cost savings
- Focus on public safety, community shared services, County core services

CCI (Federal Stimulus Funds)

- 22 County middle-mile broadband network
- Approximately 1,200 miles
- Connects to Medina County Fiber Network
- Medina is a sub-recipient of stimulus funds (CCI project match)



MEDINA COUNTY FIBER NETWORK

FIBER FINANCING

REVENUE DEVELOPMENT BONDS

On December 30, 2010, the Medina County Port Authority (MCPA) issued \$14.4 million in bonds to fund the construction of a 144-strand fiber optic loop that will provide 151 miles of broadband transport services throughout Medina County, with extensions into Akron and Cuyahoga County.

Fees from users will pay off the 20-year bonds, which include \$5.3 million in Recovery Zone Economic Development Bonds, \$7.7 million in Recovery Zone Facility Bonds and \$1.4 million in Taxable Bonds. The use of the Recovery Zone Bond (RZB) program was made possible through the Medina County Commissioners, who allocated RZB funding to the fiber network project. As part of the 2009 American Recovery and Reinvestment Act, the RZB bonds issued will return subsidy payments to the Port Authority, which lowers the overall cost of the project.

To successfully market and sell the bonds, underwriter R.W. Baird set up a bond reserve fund system, which is backed with commitments from the Medina County Commissioners, the City of Brunswick, the City of Medina, the City of Wadsworth, the Village of Seville, the Village of Westfield Center and Cascade Capital Corporation. In the event that MCPA needs to tap the bond reserve fund to make bond payments in a given year, MCPA can borrow money from bond reserve fund, which will be repaid with future revenues from user leases.

PROJECT BUDGET – USES OF FUNDS

Construction of Core Network	\$7,334,860
Gateway Electronics, Customer Premise Equipment & Customer Access Fiber	\$3,483,286
Network Project Costs & Transaction Costs	\$ 911,818
Debt Service Reserve	\$1,381,250
Capitalized Interest	\$1,304,975
TOTAL PROJECT USES OF FUNDS	\$14,416,190

FEDERAL GRANT FUNDING

In August 2010, OneCommunity was awarded a \$44 million broadband stimulus grant to extend high-speed network to 22 counties from the 10 counties in Northeast Ohio it currently serves with over 400 sites connected.

The Medina County Port Authority was among three sub-recipients of that grant, and the Medina County Fiber Network was awarded \$1.6 million from the Comprehensive Community Infrastructure (CCI) grant from the U.S. Department of Commerce. This allows the Port Authority a better opportunity to succeed from the early stages, along with reducing costs to the fiber network and bringing a more efficient and cost-effective system to MCFN's potential users.



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FIBER NETWORK CONTACTS

MEDINA COUNTY PORT AUTHORITY

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Bill Frantz, Vice Chair
Jim Gerspacher, Secretary and Fiber Network Committee Chair

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MEDINA COUNTY ECONOMIC DEVELOPMENT CORPORATION

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ONECOMMUNITY

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