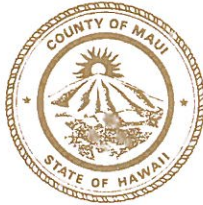


ALAN M. ARAKAWA
MAYOR



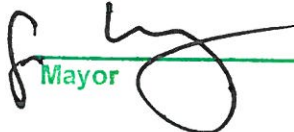
KEITH A. REGAN
MANAGING DIRECTOR

DEPARTMENT OF MANAGEMENT
COUNTY OF MAUI

July 21, 2017

Honorable Alan M. Arakawa
Mayor, County of Maui
200 South High Street
Wailuku, Hawaii 96793

APPROVED FOR TRANSMITTAL


Mayor 7/21/17
Date

For Transmittal to:

Honorable Don S. Guzman, Chair
Parks, Recreation, Energy, and Legal Affairs Committee
County of Maui
Wailuku, HI 96793

Dear Council Member Guzman:

**SUBJECT: WAIEHU MUNICIPAL GOLF COURSE OPERATIONS
AND IMPROVEMENTS (PRL-30)**

Thank you for your letter dated July 3, 2017 regarding connectivity at the Waiehu Golf Course. We have been diligently working to identify and explore options to improve connectivity at the golf course since this was raised as an issue.

The IT Services Division has taken the following steps towards securing improved network connectivity at the golf course:

1. A quote was requested from Oceanic Time-Warner (now Spectrum) for the installation of fiber connectivity to the Waiehu golf course. The quote we received was \$320,359.29 for the installation of approximately 32,000 feet of new fiber line. Upon receiving this quote, we subsequently requested additional clarification from Spectrum as to the reasons for the higher than anticipated cost estimate. We have not received responses from Spectrum to date.

Based on the high preliminary cost estimate, we do not believe this is a viable and cost effective option for the county at this time. We would not recommend supporting this option.

2. A quote was requested from Sandwich Isles Broadband Services (SIBS). They provided a preliminary quote of \$30,000 for fiber installation. In addition to the installation cost, they would require the county to enter into a monthly Dedicated Internet Access (DIA) agreement. These monthly recurring costs would be \$1,260 for 10 Mbps (megabits per second) access or \$1,665 for 50 Mbps access. SIBS would also require that we enter into a 3 year agreement in order to move forward with their services.

Based on the high cost estimate, the high ongoing monthly access fees, and the questions regarding the vendor's long term viability, we would not recommend pursuing this options at this time. The long term viability of the vendor was raised in a July 4, 2017 Star Advertiser article that reported the FCC ruled that Sandwich Isles Communication's exclusive agreement with the Hawaiian Homes Commission violates federal law. The FCC's decision raises concerns about the company's future making it difficult to recommend supporting the expenditure of \$30,000 and the commitment of recurring monthly costs ranging from \$1,260 to \$1,665.

3. A quote was requested from Hawaiian Telcom for Dedicated Internet Access over their existing copper infrastructure. Hawaiian Telcom does not currently have fiber optic cable in the area. The maximum available rate provided through Hawaiian Telcom is 10 Mbps. The monthly recurring cost for this service is \$337.50 which is significantly less than Sandwich Isles Communication even at a similar speed.

Based on the information available to us at this time, we recommend entering into an agreement with Hawaiian Telcom to provide the county with 10 Mbps DIA service. The addition of this service would serve to complement our existing wireless network connectivity provided to the golf course. Our intent would be to leverage both the existing connectivity paths and the new DIA to improve bandwidth and reliability of the overall network services for the golf course.

If the committee agrees with our recommendation, we will proceed to acquire these services through Hawaiian Telcom and we will request additional funds to support this expansion if it is determined that we are unable to absorb the increased costs. We look forward to receiving input from the committee and we will not proceed until such time that we receive your input.

Letter to Don Guzman
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Please do not hesitate to contact our office should you have any additional questions regarding this matter. We will make ourselves available and we look forward to receiving input from the committee at its earliest convenience.

Sincerely,

A handwritten signature in black ink, appearing to read 'KEITH A. REGAN', written over the typed name below.

KEITH A. REGAN
Managing Director
County of Maui