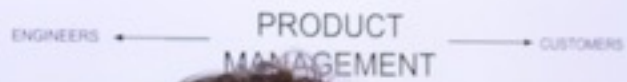


The background of the image shows several large industrial spools of fiber optic cable. The spools are made of metal and have a red-painted rim. The cables are tightly wound in layers. Some cables are black, while others have a yellow and black striped outer jacket. The scene is set outdoors, with some yellow metal structures visible in the background.

SANTA CRUZ FIBER

The Wait Is Over.

WHAT I DO





QUICK FACTS

62,864

Population

12.74

Square Miles

\$61,600

Median Household Income

\$700,000

Median Home Price

20,990

Households

2.49

Persons per Household

3-4 million

Visitors per Year

262

Days of Sun per year



QUICK FACTS



**Near Silicon Valley &
the SF Bay**



**Fresh Talent @ UC
Santa Cruz**



**Committed
Infrastructure Growth**



**An Accepting, Diverse
Community**



**Unparalleled Natural
Environment**

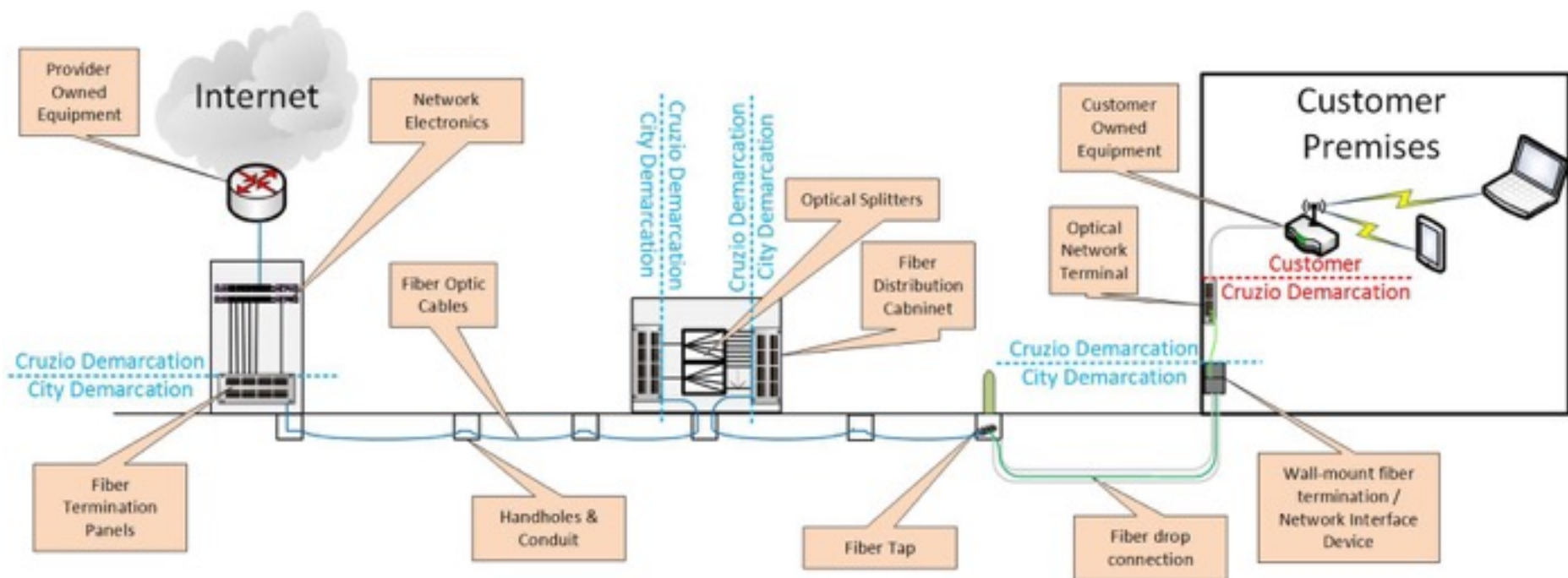




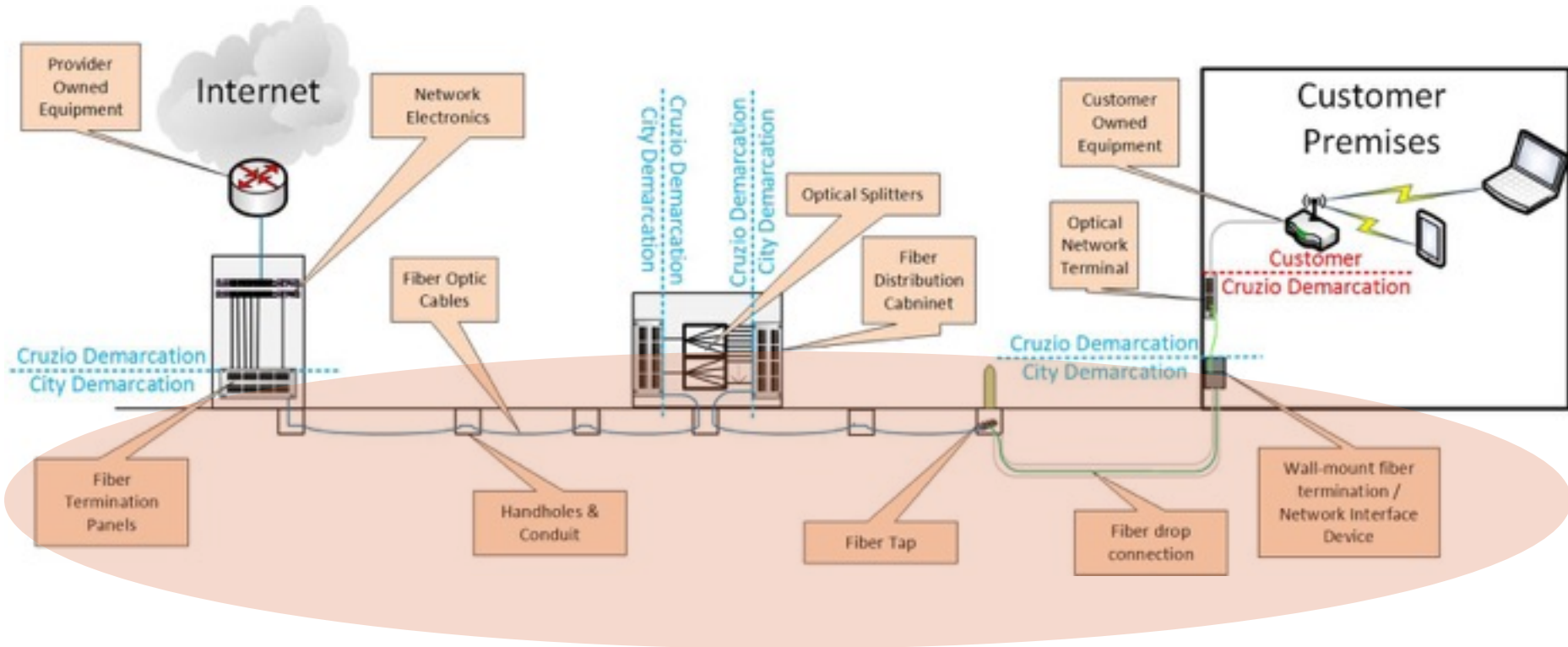
SANTA CRUZ FIBER

- Cost Estimate
- Financial Model
- Timeline

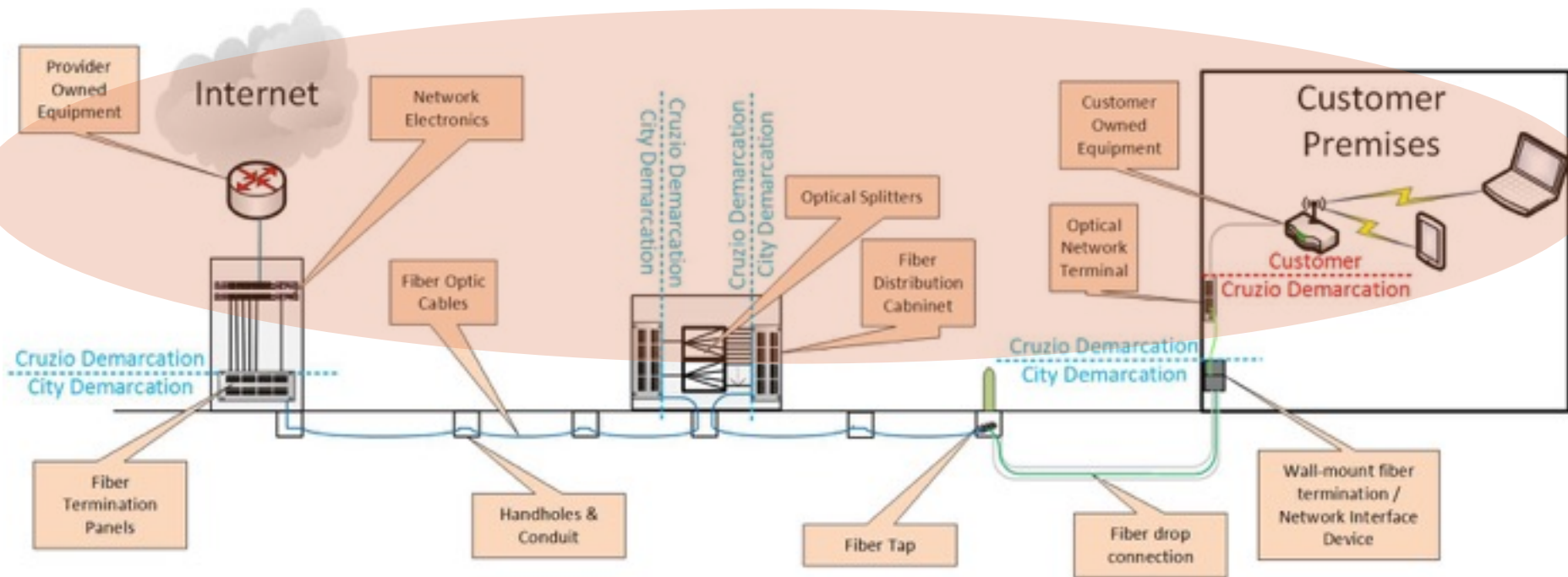




LAYER 1 – CITY



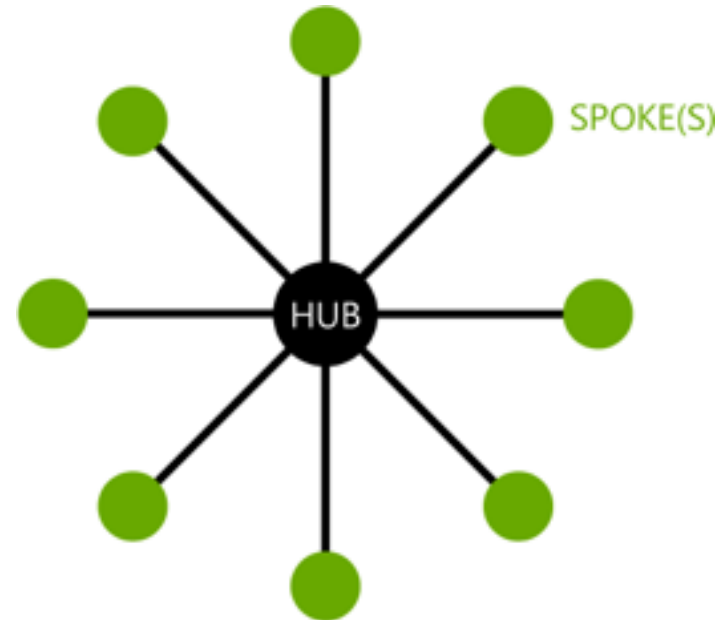
LAYERS 2 & 3 – CRUZIO



SANTA CRUZ FIBER

\$35-52 million

- Cost Estimate
- Financial Model
- Market Survey



SANTA CRUZ FIBER

- Cost Estimate
- Financial Model
- Market Survey

- 34% “Take Rate”
 - Double Cruzio’s Market Share
 - Sustainable for City’s Debt & Maintenance



SANTA CRUZ FIBER

- Cost Estimate
- Financial Model
- Market Survey

Wholesale Rates

Table 1: Potential Discounts on Cruzio's Fees to City as Take Rate Rises

Take Rate	Per Passing (Years 1 – 4)	Per Passing (Year 5)	Per Subscriber (Years 1 – 4)	Per Subscriber (Year 5)
18%	\$6.00	\$6.00	\$37.25	\$37.25
34%	\$6.00	\$6.00	\$30.00	\$22.00
40%	\$6.00	\$6.00	\$30.00	\$19.25
50%	\$6.00	\$5.00	\$30.00	\$18.00
54%	\$6.00	\$4.40	\$30.00	\$18.00
60%	\$6.00	\$4.15	\$30.00	\$17.00
70%	\$6.00	\$4.00	\$30.00	\$15.50

SANTA CRUZ FIBER

- Cost Estimate
- Financial Model
- Market Survey

- 34% “Take Rate”
- Cruzio pays per passing & per subscriber
- Debt Guarantee 80/20



SANTA CRUZ FIBER



- Layer 1 - \$35 Million
- Bond Debt \$45-50 Million
- 20% debt backfill



- Layer 2 & 3 - \$1-2 Million
- Wholesale fee
- 80% debt backfill

SANTA CRUZ FIBER

2016 – Contract, Engineering, Prepare Bonds

2017 – Bond Issuance & Construction

2018 – Complete Construction by Year 3



The background of the image shows several large, industrial spools of fiber optic cable. The spools are made of metal and are partially filled with thick bundles of black and yellow cables. The cables are coiled tightly around the spools. The scene is set outdoors, with some yellow metal structures visible in the background.

SANTA CRUZ FIBER

The Wait Is Over.