

Exhibit ___ (MV-7)
Docket UT-053041
Witness: Mark Vasconi

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the Petition of
Intelligent Community Services, Inc.
For Designation as Eligible
Telecommunications Carrier Under
47 U.S.C. § 214(e)(2)

DOCKET UT-053041

**EXHIBIT TO
TESTIMONY OF**

Mark Vasconi

**STAFF OF
WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION**

*Excerpt of Testimony of Mr. Paul Eisenberg, Exhibit 31-T (PJE),
in Docket UT-050606, pp. 2-3*

July 18, 2008

1 1992 to 1996: Director of Construction Broken Top, Inc.

2 1981 to 1991: President, Dant Development Corporation, Portland, Oregon.

3 1976 to 1981: Assistant Manager Real Estate and Mortgage Loan Department, Standard
4 Insurance Company, Portland, Oregon.

5 **Q: What are your responsibilities as the Senior Vice President of Suncadia, LLC?**

6 A: My responsibilities include master planning, programming, design, construction, development
7 and land use. Significant projects include neighborhood plans, infrastructure planning,
8 Prospector Golf Course, Suncadia Inn, Regional Waste Water Plant, Design Review
9 Committee, telecommunications infrastructure planning, project development, including the
10 village, sports club, village amenities including lake, ice skating rink, and retail.

11
12 **II. PURPOSE AND CONCLUSIONS OF TESTIMONY**

13 **Q: What is the purpose of your testimony?**

14 A: My testimony is to give background information on negotiations between Suncadia and Inland
15 Telephone Company ("Inland"), and to address Suncadia's position with respect to Inland's
16 proposal to eliminate the Suncadia Resort from Inland's service territory.

17 **Q: What is the primary conclusion to be drawn from your testimony?**

18 A: Based on the contractual undertaking made by Inland to Suncadia, Suncadia supports the
19 request of Inland to change its service territory to exclude the Suncadia Resort property.

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21 **III. BACKGROUND OF NEGOTIATIONS BETWEEN SUNCADIA AND INLAND**

22 **Q: Please provide an overview of the relationship between Suncadia and Inland.**

23 A: In 2003 and early 2004, Inland appeared to be the most likely provider for telecommunication
24 services for the Suncadia Resort. Representatives of Suncadia and Inland met several times to
25 discuss Inland's ability to provide telecommunication services to the Suncadia Resort. In the
26 course of discussions, Suncadia learned that Inland serves a relatively small population of about
27 1,000 connections in comparison with the potential service needs of the Suncadia Resort. The
28 Suncadia Resort may ultimately include 2,800 single-family dwellings, a hotel, and resort

1 commercial businesses, for a total of about 4,000 connections. These facts and the lack of
2 responsiveness by Inland in the initial meetings raised serious concerns with Suncadia about
3 Inland's technical and financial ability to provide the high-end products Suncadia envisioned
4 for the Suncadia Resort. After several meetings, Suncadia became convinced that it should
5 begin negotiations with alternative telecommunication service providers other than Inland.

6 **Q: What action has Suncadia taken to locate an alternative service provider to serve the**
7 **Suncadia Resort?**

8 A: In or about June 2004, Suncadia began research on alternative telecommunications service
9 providers. Suncadia had talks with several prospective providers, including but not limited to
10 Quest, Charter and Sprint.

11 **Q: What telecommunications facilities has Inland installed on Suncadia property?**

12 A: Around February 2004, a 100 pair of cable was pulled by Inland, and 50 pairs of that cable were
13 terminated at the MDF in the Suncadia Discovery Center. At that time, a fractional T-1 (16
14 channels) was ordered, plus a few analog trunks for security monitoring and fax machines.

15 **Q: What was Suncadia's plan until it could contract with an alternative service provider?**

16 A: Suncadia realized that Inland would be its only option until an alternative solution could be
17 developed. Therefore, when Suncadia's turf care facility and temporary Prospector Pro Shop
18 were to open, Suncadia requested service to those facilities from Inland.

19 **Q: What was Inland's response to this request?**

20 A: In response, on or about June 18, 2004, Inland presented its "standard" form of utility easement
21 agreement for signature by Suncadia as a condition for Inland to pull any additional cables. A
22 copy of this form is attached as Exhibit PJE-2.

23 **Q: Did Suncadia have concerns about the form of easement Inland requested?**

24 A: Yes, Suncadia believes the language of the proposed Inland easement was overly broad, and it
25 did not include important safeguards for Suncadia for items such as esthetics. In addition, the
26 proposed Inland easement would be perpetual. Suncadia asked to negotiate terms of the
27 easement but Inland refused to consider any changes to the document. As a result, Suncadia
28 decided not to sign Inland's requested form of easement.