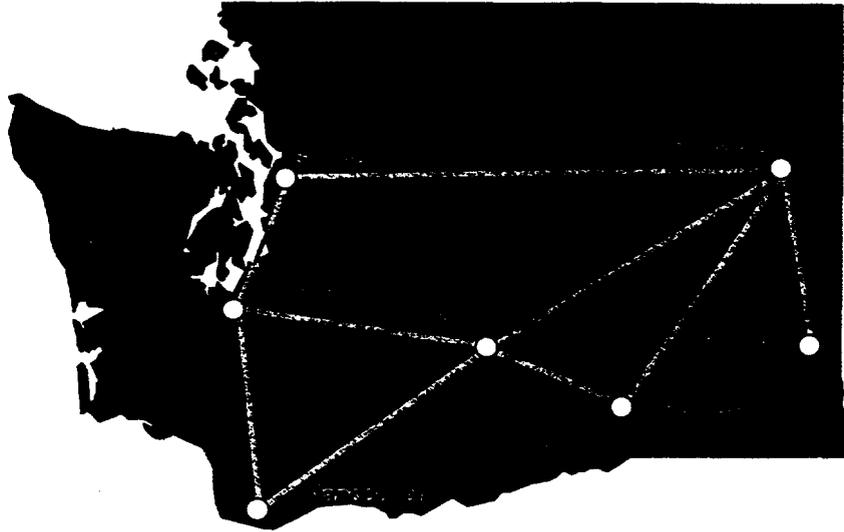
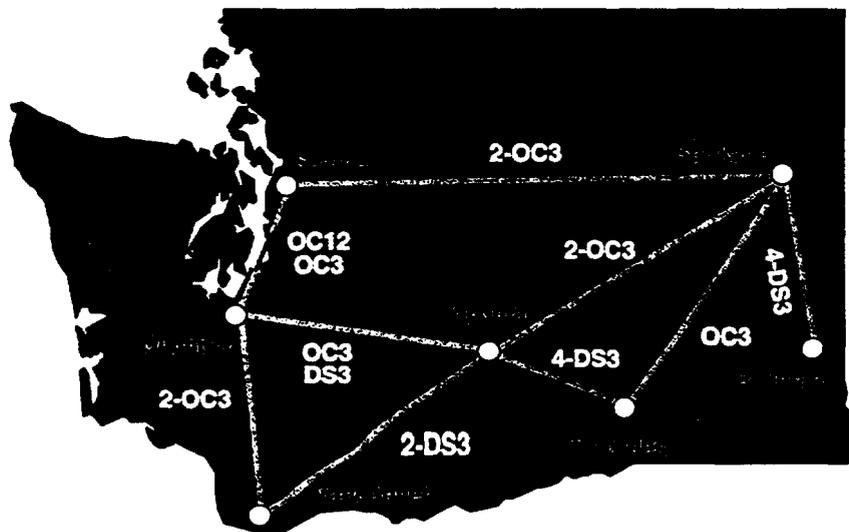


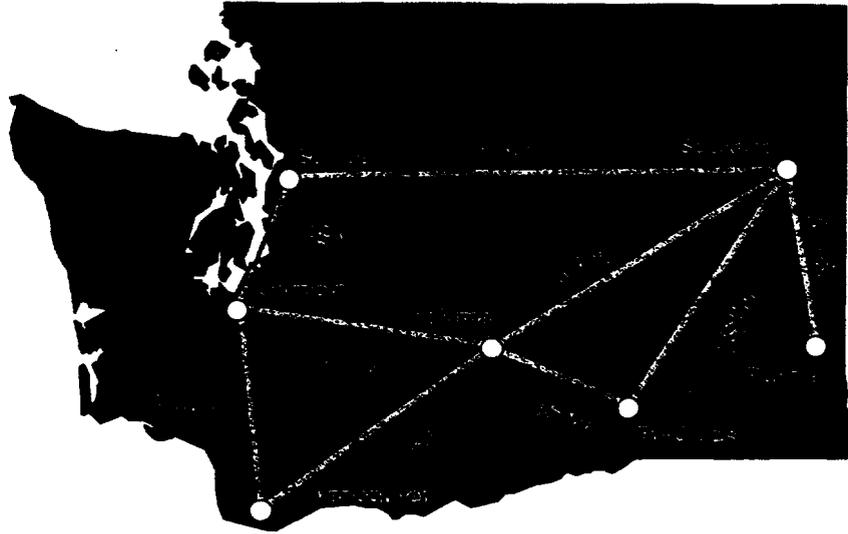
DIS / K-20 Backbone Network



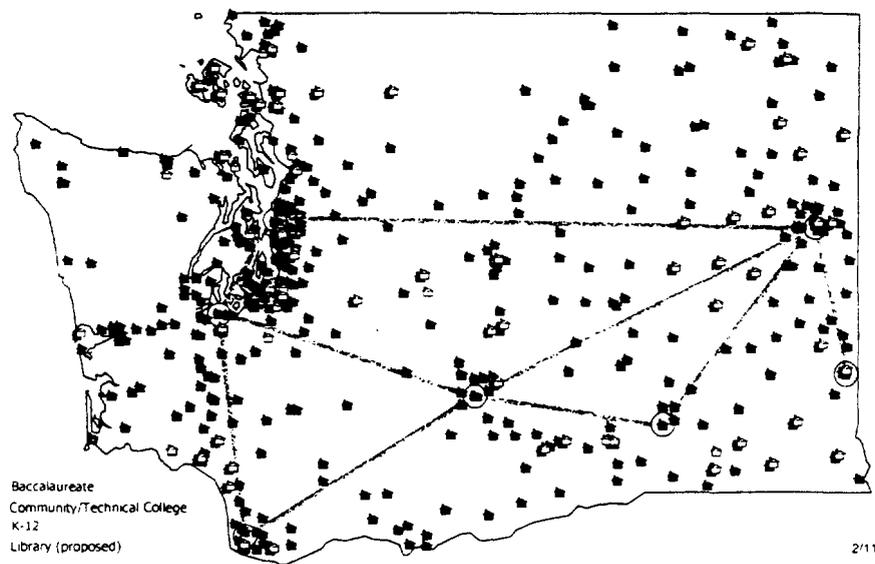
DIS / K-20 Backbone Network



DIS / K-20 Backbone Network



Educational Telecommunications Network



2/11/00

Implementation of Phases 1 and 2 sites is Complete - 412 Sites

**Community and
Technical
Colleges**



64 Sites

- All Community and Technical Colleges
- Selected Remote Campuses
- State Board

Baccalaureates



44 Sites

- UW
- WSU
- Central
- Eastern
- Western
- Evergreen
- Selected Remote Campuses

K-12



304 Sites

- Public School Districts
- Educational Service Districts
- Schools for Deaf and Blind
- OSPI

4

K-20 Network – Awards

- **Best Enterprise Access Network – Annual SUPERQuest Awards at SUPERCMM '99**
- **Outstanding Achievement in the Field of Information Technology – Networking; NASIRE**
- **International TeleCon Awards**
 - First Place, Best Network Service (1999)
 - First Place, Best Wide Area Networking Product/Service (1998)
 - Second Place, Best Distance Education Network (1999)
 - Third Place, Best User Application, K-20 Network-related videoconferencing training for the state's community and technical colleges (1998)
- **Best Application Award, Distance Learning/Training; International Teleconferencing Association**

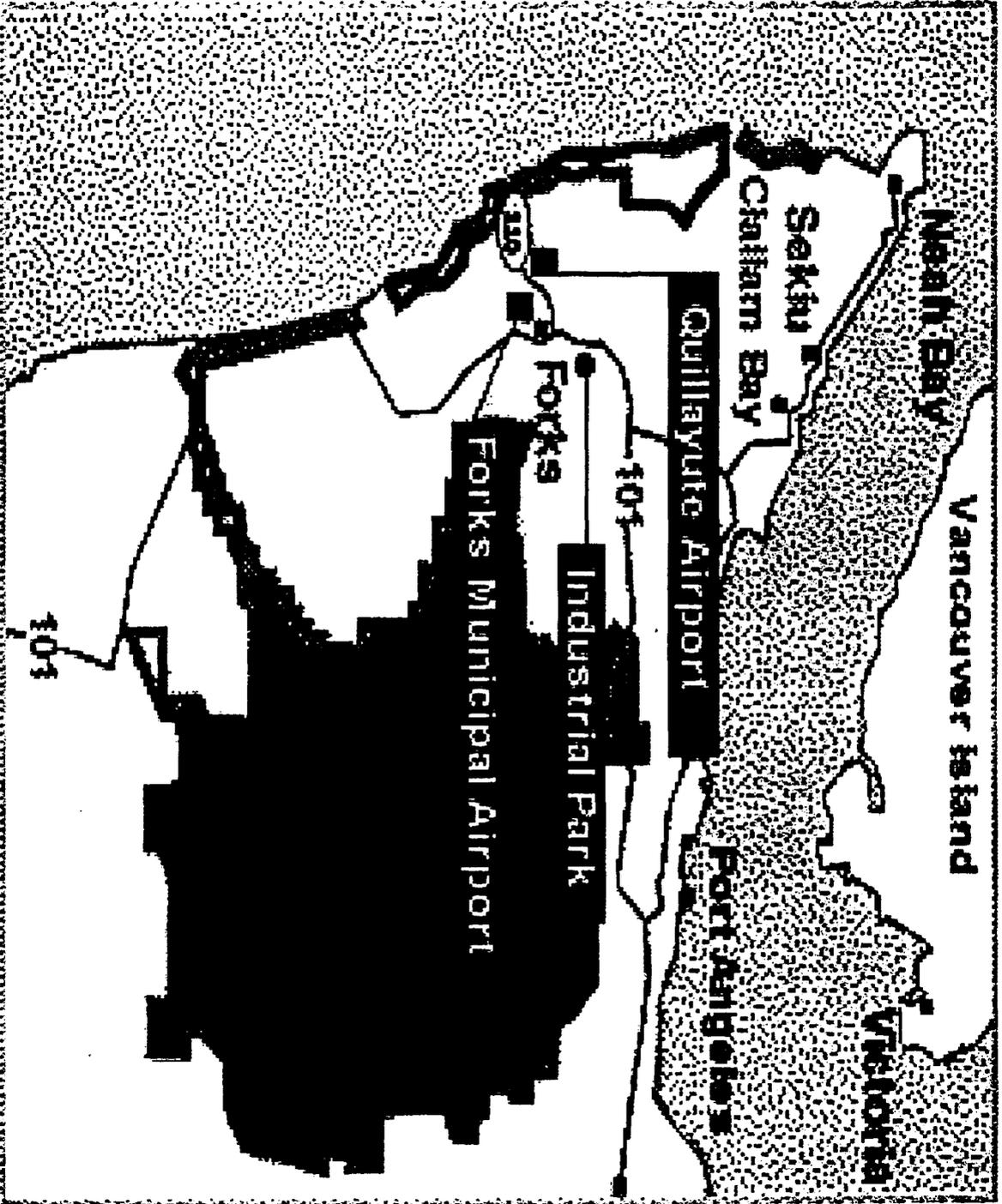
5

Roger Harrison – Clallam County Washington Hospital District #1, Information Services/
Telemedicine Manager

Mr. Harrison is the Information Services/Telemedicine Manager for Clallam County Hospital District #1, which includes Forks Community Hospital, West End Outreach Services (Mental Health Services) and three Physicians Clinics. He has over twenty years experience in information systems analysis and management. He serves as the network manager for the hospital district's "North Olympic Peninsula Tele-Health Network", the result of a Health Policy grant. This project links Mental Health related facilities on the Olympic Peninsula to each other and to providers in Seattle, and beyond. The hospital district has utilized Telemedicine for clinical applications since 1995, in conjunction with Virginia Mason Hospital in Seattle. This network links the Olympic Peninsula to rehabilitation specialists in Seattle. Combined, these networks connect twelve sites on the Olympic Peninsula to each other and to sites off of the Peninsula. Roger serves on various telecommunications steering committees and on the steering committee of the Forks Integrated Community Network project now underway on the Olympic Peninsula.

Forks Community Hospital

Since 1949, Forks Community Hospital has offered medical care to residents of the West End ~ right here at home. Like local schools, businesses, and churches, a hospital is a key resource for a community. Our mission statement, "We are committed to personalizing healthcare to enhance the quality of life for everyone", clearly demonstrates our pledge to continue to provide high-quality, affordable healthcare services to the West End. Forks Community Hospital is a public hospital district of Clallam County.



Rod Fleck – City of Forks, Washington, City Attorney and Planner

Rod Fleck is the City Attorney and Planner for the City of Forks, Washington – a rural community of 3,500 people on Washington’s Olympic Peninsula. In addition to his duties as the City’s prosecutor, civil attorney, and community planner, Rod has been an integral part of the Forks ICN/SMART Community Project. The Forks ICN/SMART Project has the goal of bettering the community through the use of telecommunication technology in its educational, governmental, business and recreational sectors. The project is a public private initiative involving CenturyTel, the Quillayute Valley School District, Forks Community Hospital, and the City of Forks. Rod is a Washington native who grew up in Sedro-Woolley and Kennewick before entering the armed services. He is an Air Force veteran with a Bachelor of Arts, cum laude, in History from the University of Washington ('91-Phi Beta Kappa), and a Juris Doctor, cum laude, from Seattle University School of Law ('94). He is a member of the Washington State Bar Association and is also admitted to practice in the Federal District Court for Western Washington. In addition to his official duties, he is an avid German genealogist and lecturer, as well as very active in the Sons of Union Veterans of the Civil War.

City of Forks Economic Development Office

The Forks Economic Development Office is in charge of business assistance, business recruitment and retention, and is in charge of the management of the Forks Industrial Park, the Quillayute Airport and the Forks Airport.

In addition, the office provides staff support for the Forks Economic Development Steering Committee, the Quillayute Airport Advisory Committee, and the 2% hotel/motel tax advisory committee.

Forks and Clallam County are eligible for a number of state tax incentive programs available to re-locating businesses through the Washington State Department of Revenue ([link](#)). Specialized workforce training can also be arranged through Peninsula College by businesses.

Sites for manufacturing are available at the Forks Industrial Park; a commercial site is available for development near the Forks Transit Center; spaces for private or business hangars are available at the Forks Airport. Additional aviation sites and sites for other business uses will be available when planning efforts with the newly acquired Quillayute Airport are completed.

Implementation of Phases 1 and 2 sites is Complete - 412 Sites

**Community and
Technical
Colleges**



64 Sites

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5

Teledesic

Teledesic is building a global, broadband Internet-in-the-Sky™. Using advanced satellite technology, Teledesic and its partners are creating the world's first network to provide affordable, worldwide, "fiber-like" access to telecommunications services such as computer networking, broadband Internet access, interactive multimedia and high-quality voice. On Day One of service, Teledesic will enable broadband connectivity for businesses, schools and individuals everywhere on the planet. The Teledesic Network will accelerate the spread of knowledge throughout the world and facilitate improvements in education, health care and other crucial global issues. Teledesic is a private company based in Bellevue, Wash., a suburb of Seattle.

Timeline:

- 1990 Company founded
- 1994 Initial system design completed; Federal Communications Commission application filed
- 1997 FCC license granted; World Radio Conference designates necessary international spectrum for service
- 1998 Motorola joins effort to build the Teledesic Network
- 1999 Teledesic completes system agreement with Motorola, signs major launch contract with Lockheed Martin
- 2004 Service targeted to begin

Principal Shareholders/Industrial Partners:

Teledesic represents the vision of telecommunications pioneer Craig McCaw, the company's chairman. Teledesic's primary investors are McCaw, Bill Gates, Motorola, Saudi Prince Alwaleed Bin Talal, the Abu Dhabi Investment Company and Boeing. Motorola, one of the world's premier communications equipment manufacturers, leads the international industrial team that will develop and deploy the Teledesic Network.

David Danner – Governor Locke’s Executive Policy Advisor on Telecommunications and Energy Issues

David Danner is Governor Locke’s executive policy advisor on telecommunications and energy issues. Before joining Governor Locke’s staff last year, he was a senior policy advisor at the state Department of Information Services, where he was staff coordinator to the K-20 Educational Telecommunications Network. He previously served as counsel to the Senate Energy and Utilities Committee, and spent 10 years in Washington, D.C., as a telecommunications attorney and as a news reporter with the Associated Press.

David is a graduate of Columbia University, and has a law degree from George Washington University and an M.A. in communications from the University of Washington.

Governor Gary Locke

2000 Policy Brief

A Telecommunications Pilot Project for Rural Prosperity

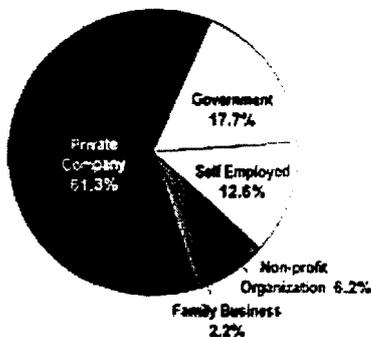
"In rural Washington, a modern telecommunications infrastructure is as important as roads and rail lines were a hundred years ago."

- Governor Gary Locke
Aberdeen Capital for a Day
October 12, 1999

MANY BUSINESSES ARE attracted to rural communities because of lower costs, a more stable workforce, and a good quality of life. But in many cases, high-technology businesses are unable to locate offices or facilities in rural areas because the communities lack the advanced telecommunications infrastructure that business needs.

Rural Washington should benefit from growing companies and the jobs those companies create.

Sector of Main Job Held:*



*From the 1999 Washington State Population Survey
OFFICE OF FINANCIAL MANAGEMENT
DECEMBER 1999
Forecasting Division

Governor Locke's legislative proposals this year will go far to streamline regulations, create new competition in telecommunications services, and promote investment. In addition, the Governor wants to show that with coordinated planning and public-private partnerships, rural communities can develop advanced telecommunications infrastructure needed to nurture high-technology businesses.

Pilot project will show investments make sense

For this reason, the Governor will put in place this year a telecommunications pilot project to demonstrate that:

- Through planning and infrastructure development, communities can attract private companies that provide high-technology jobs;
- Private companies can benefit from locating offices and facilities in rural communities, which enjoy lower costs and a more stable work force;
- Sufficient demand exists in rural communities so that telecommunications companies can profitably provide advanced services; and
- Public-private partnerships can overcome perceived economic and geographic barriers to high technology job growth in rural areas.

Matching businesses with rural communities

Under this pilot project, the state will identify telecommunications-dependent businesses looking to expand offices and facilities, and match them with local communities that can serve as potential sites. The state will undertake needs assessments in those communities, and provide resources in the form of technical assistance and loans and grants to fill the gaps in infrastructure necessary to support new businesses.

Governor Gary Locke

2000 Policy Brief

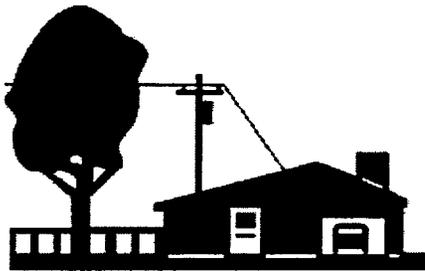
Making Telecommunications Work for Rural Washington

"We need to speed telecommunications investment in this state so that all citizens have access to the services they need to prosper in an information-age economy."

-- Governor Gary Locke

News Conference, Jan. 13, 2000

The Telecommunications Revolution: Bringing it Home to Rural Washington



AS NEVER BEFORE, a community's vitality depends on a robust telecommunications infrastructure. With modern telecommunications, business can expand and create new jobs, students can learn more, and government can better deliver vital services.

Rural communities need modern systems

But in many rural locales, advanced services are arriving far too slowly. In some areas, they are not available at all. In 1999, Governor Locke made headway in helping rural communities develop local telecommunications infrastructure and attract technology-based businesses. This year, the Governor proposed to do far more, and the Legislature responded by passing the most comprehensive telecommunications legislation in a decade. The package:

Promotes investment through alternative regulation

In order to encourage development of sophisticated telecommunications systems, companies are allowed to propose a more efficient "alternative" form of regulation with the Washington Utilities and Transportation Commission to better address the specific needs of a company and its customers. Through a negotiated regulatory structure, companies have greater regulatory certainty on which to base investment decisions.

Brings new investment and competition to rural areas

Public utility districts (PUDs) and rural port districts are authorized to provide wholesale telecommunications services within their districts. By partnering with private companies, PUDs and port districts can promote private competition and offer consumers more choice for retail telecommunications services. PUDs and rural ports that offer wholesale telecommunications services must provide services and facilities on a nondiscriminatory basis to all retail service providers who want to purchase them.

Streamlines regulations to encourage advanced services

Chris Preston – SafeHarbor.com, Senior Director – Marketing

With over 14 years of computer and Web technology experience, Chris Preston joins SafeHarbor.com from FileNET Corporation, where he served as Sr. Product Marketing Manager for Web Content Management Products, leading FileNET's strategic Web/Portal initiatives and managing key products for client/server and web solutions. Prior to FileNET, Preston served in Eastman Kodak Company's Business Imaging Systems Division for eleven years. His primary responsibilities included product management of advanced imaging/scanning and workflow, re-engineering supply-chain analyst, industry marketing manager and e-commerce coordinator for the Kodak Web team.

SafeHarbor.com

SafeHarbor.com is proud to have become Satsop Development Park's first tenant in 1998 and currently has access to over 40,000 square feet of office space to house our corporate headquarters and Contact Center. The site's tremendous connectivity, the area's stable and motivated workforce, and the government's generous incentives to develop this site are a killer combination-making Satsop Development Park a fantastic place to do business.

deployment

A complex patchwork of local government regulations must be streamlined to create uniform standards under which telecommunications systems can be sited and built. Based on more than a year of discussion among cities, industry and consumer groups, the Governor proposed legislation to ensure that cities process telecommunications siting and construction permit applications quickly. The resulting legislation bans moratoria on telecommunications infrastructure construction and reduces timelines for reviewing construction applications. It also authorizes cities to lease rights of way for cellular towers and wireless antennas.

Staff Contact: David Danner, Governor's Executive Policy Office, (360) 902-0630. Fax: (360) 586-8380.

Tami Garrow – Grays Harbor Public Development Authority, Director and Business Development at the Satsop Development Park, Director

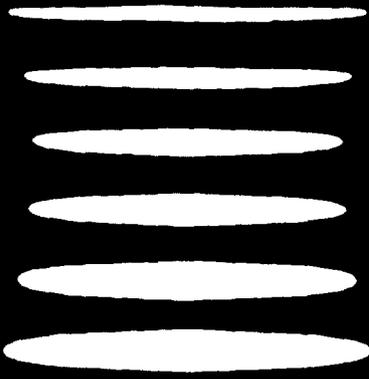
Ms. Garrow has served as Director of Business Development for the Grays Harbor Public Development Authority since last July. Since it is a brand new organization, working there for 8 months already makes Tami a senior staff person. Ms. Garrow has also worked as the City Planner for the City of Hoquiam, Economic Development Program Manager for the State Dept. of Community Development, Manager of Planning and Real Estate for the Port of Grays Harbor (7 years), taught business courses at Grays Harbor College, spent two years as Executive Director of the Grays Harbor Economic Development Council, and is now Director of Business Development at the Satsop Development Park. Her responsibilities in this position include new business development, site marketing, tenant relations, lease negotiations, public affairs, grant writing and governmental relations. This is an Economic Development person's dream job because not only does Ms. Garrow have the chance to market something truly amazing, but she also has the ability to set the price and cut the deal. This is a new frontier for all of the folks where Tami works and she says it is the most fun she has had in 15 years of work experience.

Ms. Garrow is an economic development professional, a graduate of the University of Puget Sound, and a Grays Harbor native.

Grays Harbor Public Development Authority

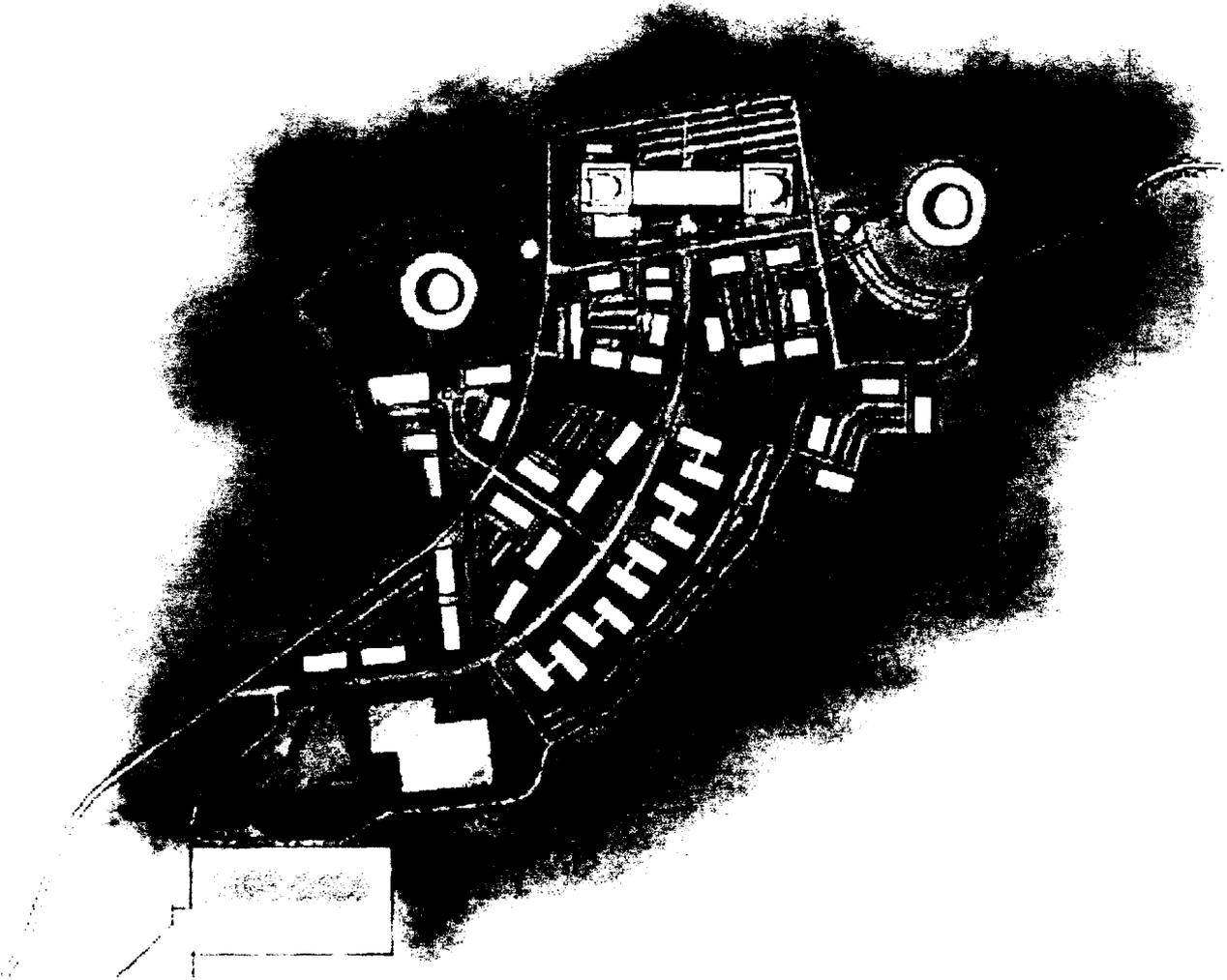
The Satsop site was originally owned and developed by the Washington Public Power Supply System as a twin nuclear reactor generation facility. Construction on the project, which was initiated in 1976 and continued until 1983, was massive. The site improvements included twin electricity-producing nuclear reactors, two imposing 500 foot cooling towers (among the largest ever built), huge warehouses, a deep water dock, endless office space and over 1500 acres of land. Both cooling towers are essentially complete and one of the reactors sits at just under 100 percent.

Satsop Development Park offers a unique opportunity for business, industry and technology. Located in western Washington, USA, easily accessible to the Pacific Rim and to major U.S. transportation links, the park represents a substantial investment in plant, equipment and infrastructure. Originally developed as a nuclear power plant, but never was fueled and completed because of changes in electrical markets, Satsop offers business, industrial and technology tenants a rare opportunity to grow in a high quality-of-life community that welcomes commerce.



Satsop

Creating Partnerships for Economic Growth



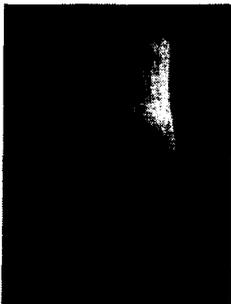
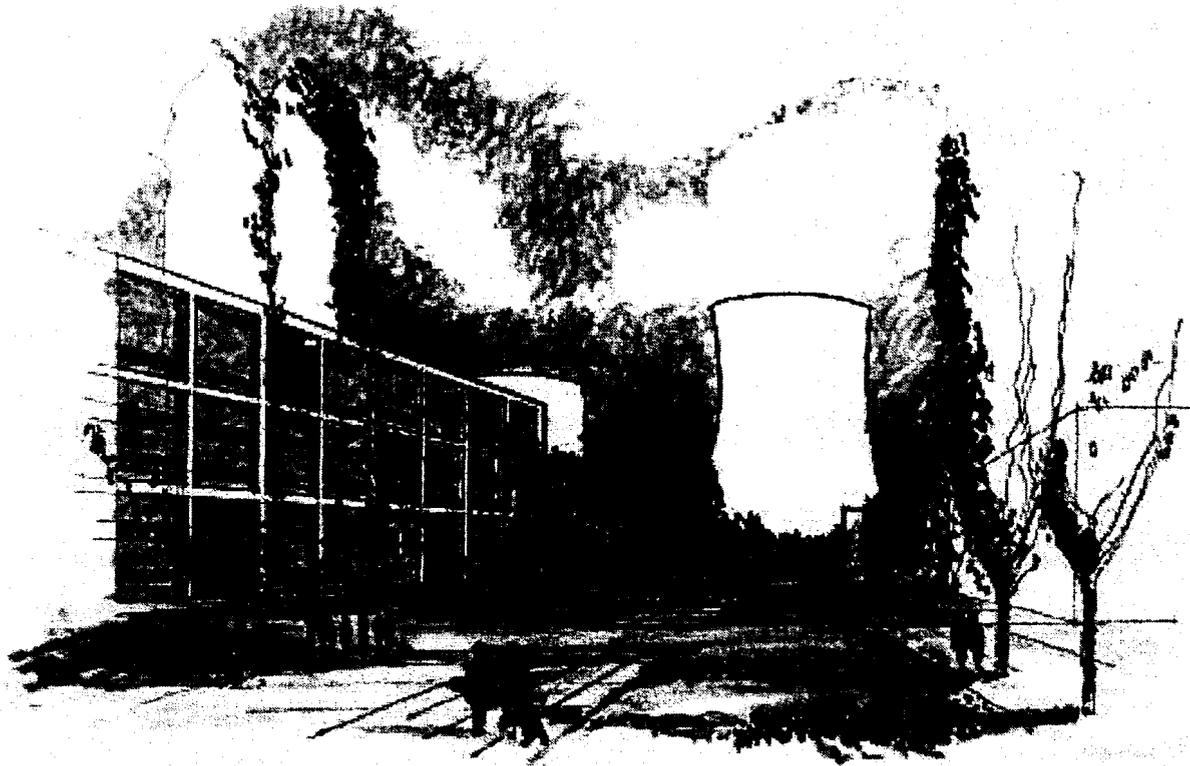
Grays Harbor Public Development Authority

471 Lambert Road P.O. Box 127

Satsop WA 98583-0127

Phone: 360-482-1600 Fax: 360-482-1513

www.satsop.com



I. Location 3

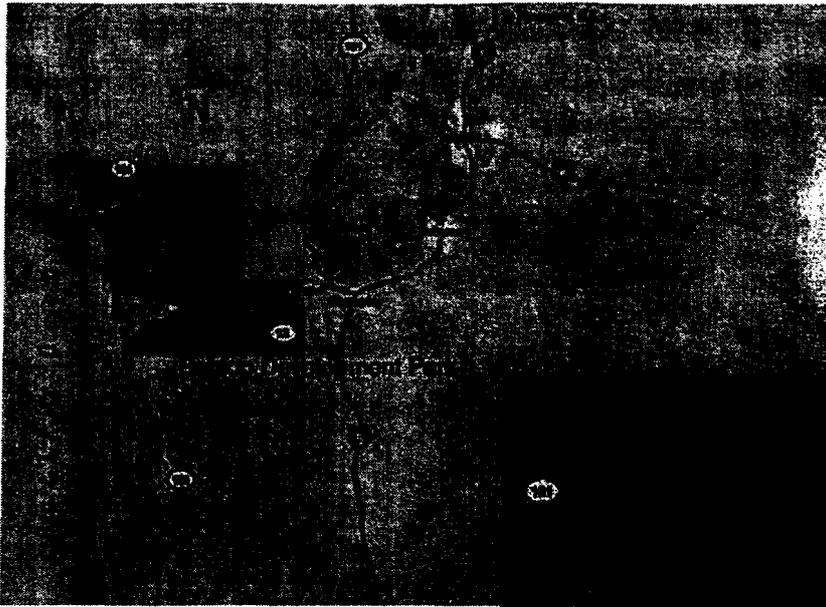
II. Background 4
Site History
Current Activities
Next Steps

III. A Work in Progress 6

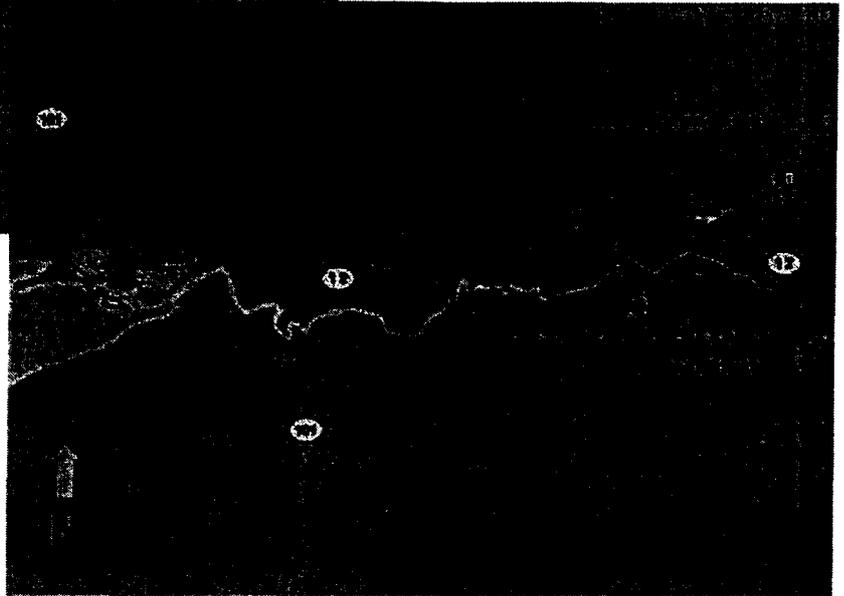
IV. Vision 7
A Generative Vision
Telecommunications Network
Telephony

V. A Master Plan for Satsop 10

I. Location



*Just 2 hours south of Seattle
and 2½ hours north of
Portland, the site is close to
the technological hub of the
Pacific Northwest.*

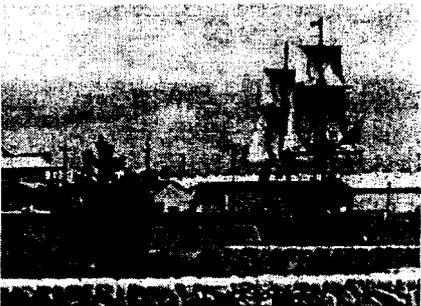


The Satsop Development Park is centrally located in the Cascadia Economic Corridor. Just two hours south of Seattle, or 2½ hours north of Portland, the site is close to the technological hub of the Pacific Northwest.



Duck pond on mitigation land

The Park is accessed via a four-lane state highway located less than 30 minutes drive from Olympia and the Interstate 5 corridor, the West coast's major transportation artery running from Canada to Mexico.



Grays Harbor

Thirty minutes west are the population centers of Aberdeen/Hoquiam; 30 minutes east is the Olympia/Tumwater area. The communities of Centralia and Shelton are also less than a half-hour drive from the Satsop Development Park. Two county roads connect at the Park, forming a loop access route to the highway. The site's 440 developable acres are surrounded by another 1,200 acres of undeveloped forestland and wildlife habitat owned by the Park. The entire site is bordered by either farm or forestlands.

II. Background

Site History

Significant investments have been made, but much work remains to create a world-class technology park.

The Satsop Development Park is the result of an unfinished nuclear power plant project started in the mid-1970s in east Grays Harbor County. Construction of the twin power plants was begun in 1978 by the Washington Public Power Supply System (now Energy Northwest) and the Bonneville Power Administration (a federal agency). Work was halted in 1983 following a series of financial events and changes in the energy market that placed the project on hold for another 10 years.

In 1995, talks began at the local level to explore ways to convert the unfinished nuclear power plant to an economic powerhouse for all of Southwest Washington. The community sought special legislation to allow the site to be converted to a business and technology park, and in August of 1999, the site was transferred to the Grays Harbor Public Development Authority (PDA) to be used to create jobs and investment for the community. In addition to title to the land and buildings, the PDA was given \$15 million in seed capital to begin the process of building a business park in rural Grays Harbor.

Current Activities

The Satsop Development Park is comprised of 440 developable acres of land atop Fuller Hill. It is located in a campus-like environment with a spectacular view of the Olympic Mountain Range, surrounded by 1,200 acres of forest lands also owned by the PDA. The site has its own water system, wastewater treatment plant, electrical and road systems. However, the infrastructure in place is now more than 20 years old and some of it was never completed. Much remains to be done to bring site utilities and infrastructure up to 21st century standards.

Utilizing our seed capital, the PDA has invested in telecommunications infrastructure to serve the site recognizing that the provision of unlimited bandwidth, at competitive prices, in a secure and pristine environment would serve as a magnet to attract business and industry to the site. To date, we've spent or committed over \$3 million to install fiber optic cable and provide the electronics to light the fiber and to build voice and data networks large enough to handle dozens of tenants and thousands of employees. In addition, we are making improvements to our infrastructure and buildings to accommodate new tenants.

The site contains several unfinished buildings, over 300,000 sq. ft. of warehouse space, over 130,000 sq. ft. of office buildings, a Telecommunications Host building, and the massive Turbine Building that contains over 500,000 sq. ft. of high-tech space suitable for renovation to provide a variety of office, training and technology uses. Our anchor tenant, SafeHarbor.com, currently leases a 48,000 sq. ft. office building from the PDA and we are in the process of constructing a second, 40,000 sq. ft. building for their use.



II. Background

*Our success is dependent
on fostering creative
partnerships for innovation.*

We'd like you to join us.

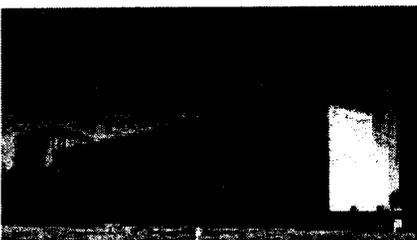
Next Steps

We're developing a Master Plan for the entire site that maximizes land usage for a mix of business, e-commerce and technology activities. The Plan estimates that the Satsop Development Park, when fully occupied, will provide 5,000 or more jobs. The high-tech, light-industry focus the PDA has adopted represents a significant opportunity for southwest Washington to diversify its economy away from a historic dependence on natural resources such as timber and fishing.

Our first technology tenant, SafeHarbor.com, is already generating a tremendous amount of economic energy on site. The company occupied 5,000 sq. ft. of rented space on site in November 1998 and employed six people, including the three founders. Today, SafeHarbor.com employs more than 120 people, occupies the entire building, and is adding new employees at the rate of 25 per month. Work is now completed on a total remodel of the original building and we will break ground for their second, 40,000 sq. ft. building by March 1 of this year. SafeHarbor.com expects to have 350 employees by the end of 2000. The company strives to hire locally and has developed a customized training program with the Grays Harbor Community Education and Lifelong Learning (CELL) Center that is providing Grays Harbor citizens the ability to transition to a technology-based economy. Employees are provided full benefit packages and stock option plans, with plenty of opportunities for advancement.



SafeHarbor.com



Turbine Building

We're still exploring options for the precise shape the Satsop Development Park will take. Examples of our Master Planning efforts are illustrated on the following pages, along with information on the various projects to be undertaken by the PDA to fully develop the Park. We will be working with our local, state and federal government, the private sector and the community to find creative ways to carry out our vision for Satsop. Efforts will be focused on identifying resources to build the Park, including roads, public spaces, landscaping, infrastructure, building improvements, training facilities, childcare facilities and more. At the same time, we will be busy marketing the site for new tenants, making improvements to accommodate the needs of the business community, and creating new opportunities for Southwest Washington. Our success is dependent on fostering creative partnerships for innovation. We'd like you to join us.

III. A Work In Progress

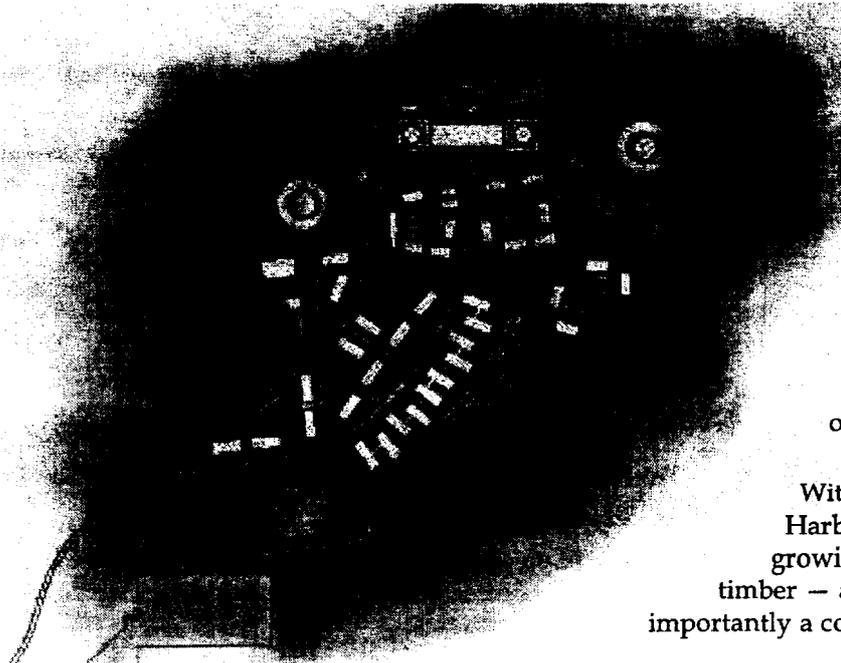
The Grays Harbor Public Development Authority is committed to converting Satsop from an unfinished Nuclear Power Plant to an economic powerhouse.



In the shadow of the cooling towers, the Satsop Development Park is beginning to bloom. The site is still very much in the business of generating energy – self-perpetuating *economic* energy – for all of Southwest Washington. With over 400 acres of land and buildings available, the Park is experiencing steady growth after less than six months of local ownership. The Park's anchor tenant, SafeHarbor.com, recently celebrated their first anniversary and now employs over 120 people. Satsop also is now home to three area companies leasing warehousing and manufacturing space.

We are putting an extraordinary amount of effort into preparing the site for more tenants. That work includes renovating office and warehouse space; developing a binding site plan; engineering and designing water and sewer systems; completing an upgraded power substation; developing new access roads; performing telecommunications business planning (and making the infrastructure improvements to support it); and completing real estate business planning and capital facilities planning. The Public Development Authority (PDA) is also managing the site restoration efforts including clean-up of the construction site, sale of nuclear plant assets, and demolition and disposal of unusable structures.

We also recently signed a precedent-setting agreement with the Bonneville Power Administration, bringing one of the most critical infrastructure elements to the Grays Harbor area, a 72-strand fiber optic cable. This high-speed connection is critical for supporting a wide variety of technology, e-commerce and distribution businesses, It represents a huge advance in available technology in Grays Harbor.



When ownership of the site was transferred to the PDA, we received \$15 million in seed capital to convert the site into a business park. Although this seems like a lot of money, we now know it will take several times that amount to finish the infrastructure and make the site self-sustaining. We are seeking funding to fill that gap. Since the PDA is not a taxing entity, we must focus our efforts on generating revenues and seeking outside funding to create a viable business park that offers solid employment opportunities.

With development of the Park, Grays Harbor is entering a new era, one that offers growing companies – from technology to timber – a location, a workforce and most importantly a community in which to prosper.

IV. Vision

A Generative Vision

"If SafeHarbor.com had to develop Satsop's infrastructure in the Seattle area, it would have taken at least nine months and cost our company up to \$1 million."

Bo Wandell, President
SafeHarbor.com



Satsop Development Park offers business, industry and technology tenants a rare opportunity to grow in a high quality-of-life community that welcomes commerce. Surrounded by natural beauty, the Park offers a campus-like setting with buildings, building pads and infrastructure ready to meet the needs of new business. When looking for a capable workforce, Park tenants can draw from a population base of 200,000 people within ½ hour drive of the site. Two community colleges and two, four-year universities are within an easy ½ hours drive of the site as well, offering training opportunities and a skilled labor pool. Fiber optic cable, digital microwave systems and state-of-the-art voice and data networks offer connectivity, reliability, security and redundancy for technology companies looking for room to grow.

The site's tremendous connectivity and the area's stable workforce combine to make it a particularly attractive and unique place to do business. "We realized Satsop's opportunity as soon as we saw the Park," says Bo Wandell, President of SafeHarbor.com. "Satsop offers a plug-and-work environment for SafeHarbor.com and other companies that require advanced computer and telecommunications infrastructure. If SafeHarbor.com had to develop Satsop's infrastructure in the Seattle area, it would have taken at least nine months and cost our company up to \$1 million." SafeHarbor.com CEO Brian Sterling puts it another way: "Satsop has a lot to offer companies like ours. The Park has stepped up to the plate to provide services, and we have discovered a better labor force than we realized, circumstances which have helped us to grow so quickly. We're very pleased to be where we're at."

Satsop Development Park offers a one-of-a-kind package of advantages to growing companies:

- Over 400 acres of open, essentially flat terrain with epic views of the Olympic Mountain Range
- 48 strands of fiber serving the site, with local ownership and control of the fiber.
- Extensive data network capable of serving up to 4,000 users
- Telephony capabilities to serve up to 20,000 ports (phone lines)
- Connection to a countywide digital microwave system, as well as local telephone services for redundancy
- 500 kV and two, 230 kV electrical power supplies to the site
- Other infrastructure in place including roads, sewer, and water (14 million gpd capabilities)
- Cooperative permitting jurisdiction with no additional environmental view required (construction can begin with completion of building permit review)



IV. Vision

*The site will be able to offer
high capacity, high speed
Internet access, unlimited
bandwidth capabilities
and connectivity at a very
competitive price.*

- Exceptionally low land, labor, and living costs
- Colleges and professional training programs available nearby
- Interstate highway access, rail lines and Grays Harbor itself (offering the U.S. mainland's closest deepwater port to the Pacific Rim) just minutes away; Seattle and Portland high-tech and consumer markets within easy reach
- Proximity to the spectacular beauty and recreational opportunities of the Olympic National Park and the Pacific Ocean, each less than an hour's drive from the site.

Telecommunications Network

By design, the Satsop Development Park features a redundant, abundant telecommunications network. Fiber optic cable, owned by the Park, connects the site to Olympia, Aberdeen and points beyond. Electronics to light the fiber are being installed this spring, and the site will be able to offer high capacity, high speed internet access, unlimited bandwidth capabilities and connectivity at a very competitive price. The fiber is backed up by a digital microwave system and copper phone lines, providing additional redundancy.



A large-scale data network has been installed to serve technology companies, call centers and other tenants. Buildings throughout the site can be directly connected to the network via fiber. All systems are supported by an uninterruptible power supply system, and power serving the site comes from two separate grids which supply the entire Pacific Northwest. Telecommunications equipment is housed in a 7,200 sq. ft. building designed for climate control and maximum security. The Park is developing partnerships with a variety of telecommunications service providers to offer tenants the widest possible range of voice and data services at competitive prices, with fast, seamless delivery.

IV. Vision

Telephony

Simply stated, the Satsop Development Park is dedicated to delivering world-class telecommunications services to its tenants and the surrounding region, in a location second-to-none in the Pacific Northwest.

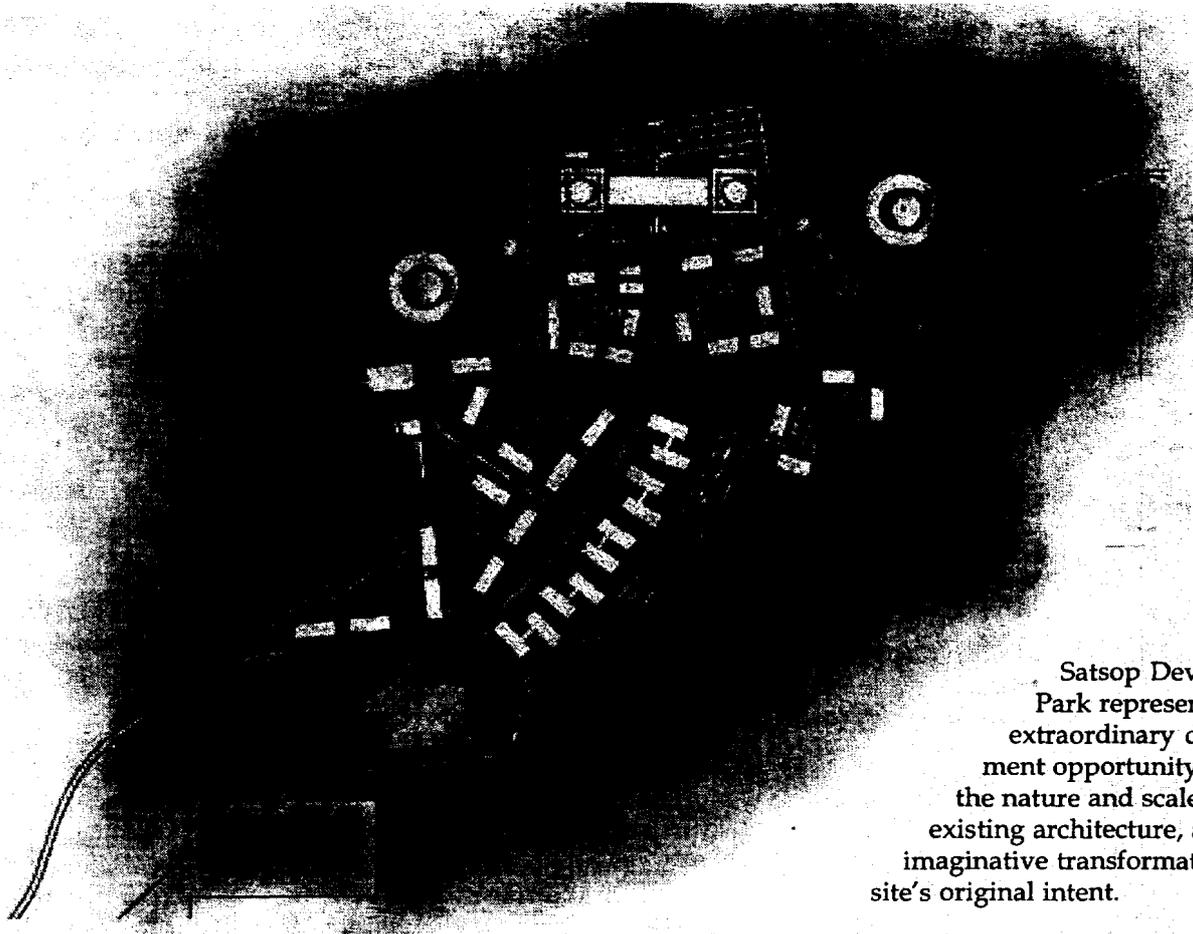
To meet the requirements of technology tenants, the Park installed the Intecom E-14M PBX/ACT integrated telephone system (the system chosen by Microsoft to meet their worldwide needs). This system provides a wide range of sophisticated features including automatic call distribution, skills-based call routing, intelligent queuing, interactive voice response, predictive dialing and a variety of computer-telephony integration features. The service can also provide call accounting and call monitoring services.

The Intecom system can be expanded in the field to 20,000 ports per location and overcomes the blocking architecture of other systems in a high-traffic environment. Integration work has been completed to implement Silknet Software for SafeHarbor.com, our anchor tenant, and can be made available to other call-center or technical support companies.



Simply stated, the Satsop Development Park is dedicated to delivering world-class telecommunications services to its tenants and the surrounding region, in a location second-to-none in the Pacific Northwest. By investing in our infrastructure, in our site and in our community, we will carry out the vision created by our Board of Directors and illustrated in our Master Plan. For more information, read on.

V. A Master Plan for Satsop



Satsop Development Park represents a truly extraordinary development opportunity due to the nature and scale of the existing architecture, and the imaginative transformation of the site's original intent.

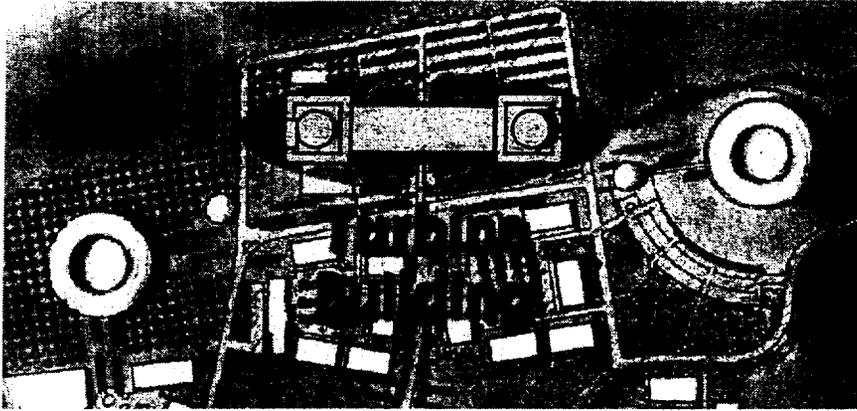
The site's massive cooling towers are twin icons that command the eye (and imagination) from a great distance.

The site's massive cooling towers are twin icons that command the eye (and imagination) from a great distance, and the existing Turbine Building is hardly less impressive as it comes into view. Our master plan is anchored by these immense structures, and further organized by Main Street, which arcs through the development from south to north, and Tower Street, which connects the two towers. At the axis is the Turbine Building.

Flanking Main Street is the open, pedestrian-friendly expanse of the Great Lawn, and within it an array of campus "quads" where more intimate spaces are created for the Park's tenants. (The "quad" for SafeHarbor, the Park's current high tech tenant, is already in development — as is the Great Lawn.) Pedestrian pathways/bikeways meander through the Great Lawn and site as a whole, linking the natural forest on the site's perimeter to Tower Street's urban ambiance and the parklike quad campus areas off Main Street.

In the pages that follow, we'll highlight four featured elements of the plan — the Turbine Building, Cooling Tower Park, Tower Street and Main Street — and then conclude with a comprehensive summary of the plan, including the costs we estimate will be required to make it a reality.

V. A Master Plan for Satsop



Turbine Building
Est. cost: \$29,500,000

One of the site's most intriguing possibilities is the redevelopment of the Plant 5 Turbine Building.

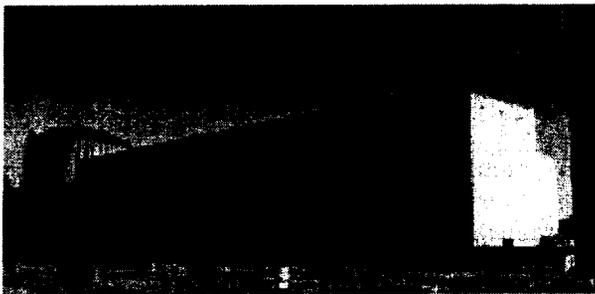
The building as it is represents a massive historical investment in terms of both money and materials; taxpayers have been paying a considerable premium simply to maintain it over the years. Originally constructed to house the

Our master plan explores the idea of transforming the structure into more than 300,000 sf of the state's most desirable and intriguing office technology space.

Nuclear Plant 5 turbine and associated mechanical and electrical systems, the structure stands as high as a 10-story building (137') and stretches the length of a football field.

By any measure, it's an immense building — and one that offers immense opportunities. We believe the same logic should apply to the turbine building that has been applied to the development as a whole: instead of turning it into a pile of rubble, why not recycle it in imaginative fashion? In fact, why not turn it into the centerpiece of the Satsop Development Park's redevelopment effort?

As it happens, the turbine building's footprint is not significantly different from those being constructed in the Puget Sound technology marketplace. Our master plan explores the idea of transforming the structure into more than 300,000 sf of the state's most desirable and intriguing office technology space.

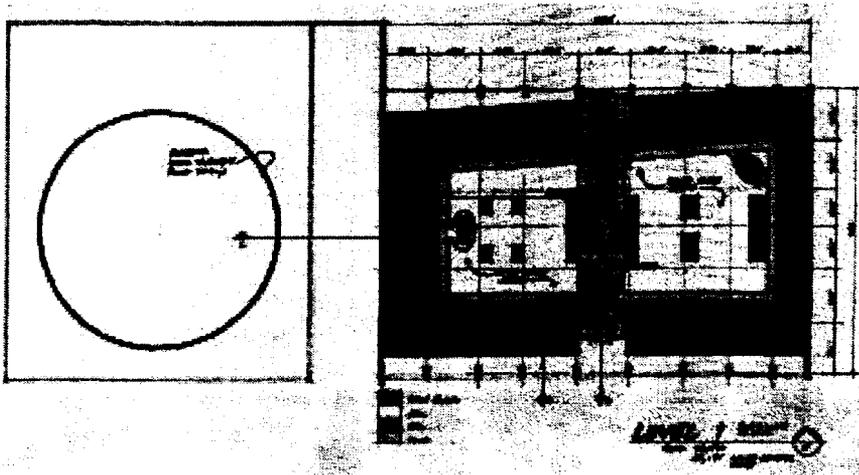


V. A Master Plan for Satsop

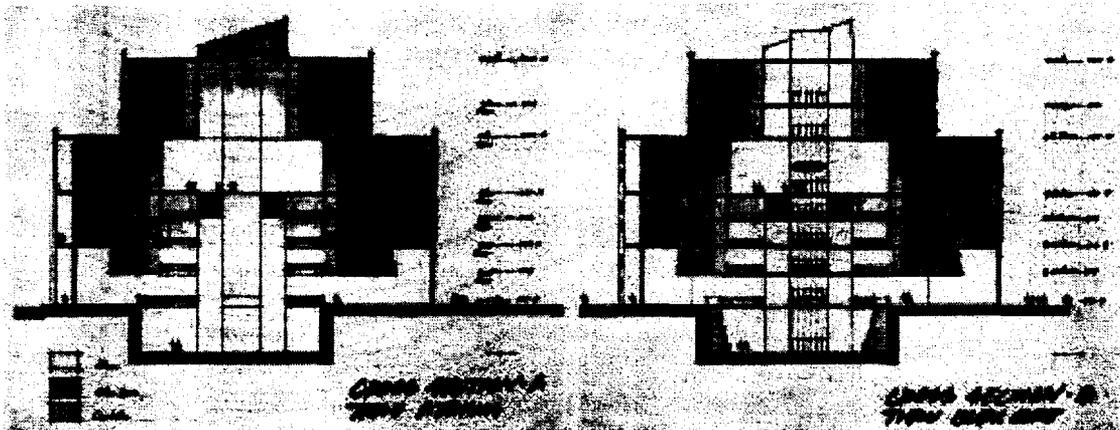
Turbine Building (cont'd)

The Turbine Building Remodel affords a unique opportunity to create a worldwide identity for the Satsop Development Park.

We believe that recycling the massive structure into a striking and viable 21st century high technology office facility is an exciting expression of the park's spirit of reclamation and regeneration.

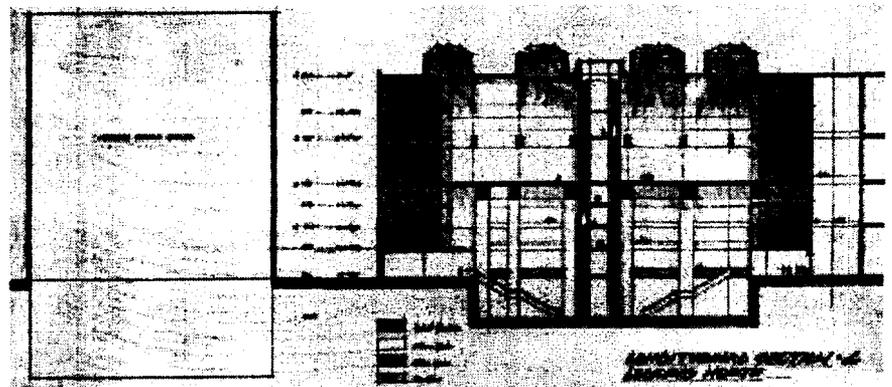


1st Floor floor plan



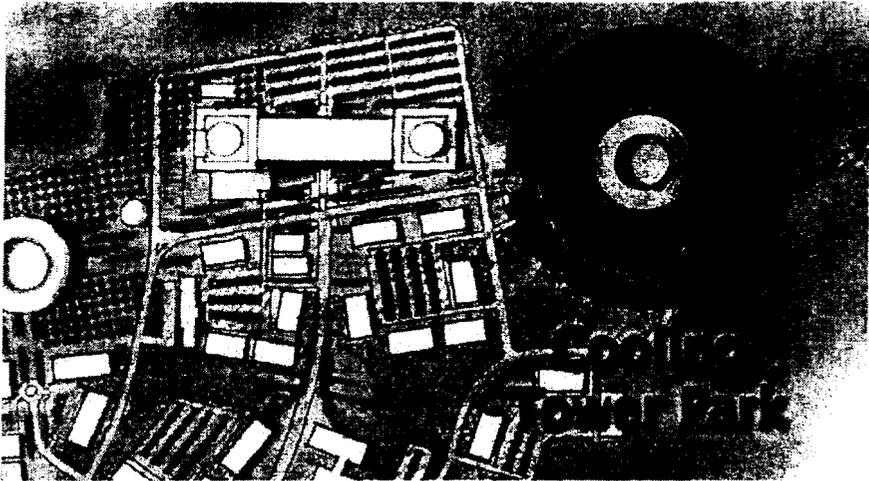
Cross Section A (through Atrium)

Cross Section B (through Elevator Core)



Longitudinal Section C (looking north)

V. A Master Plan for Satsop



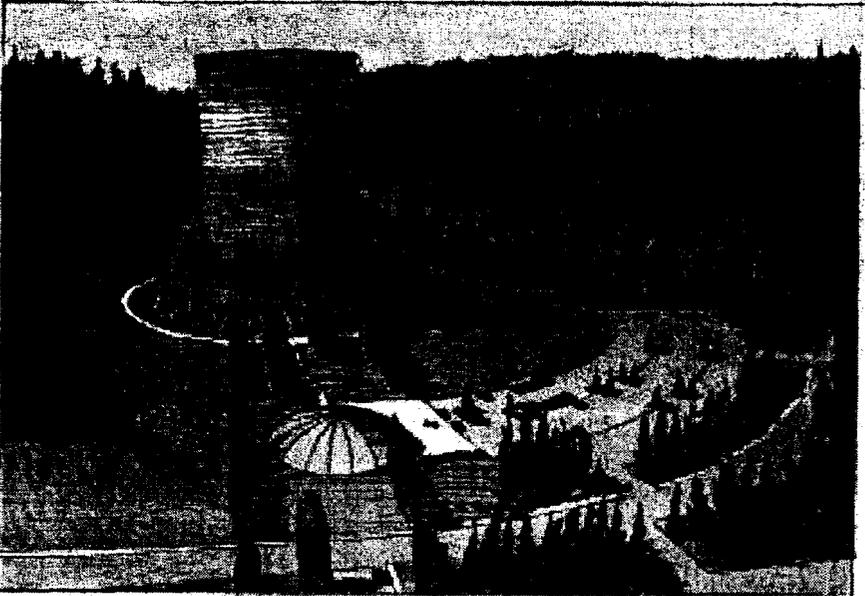
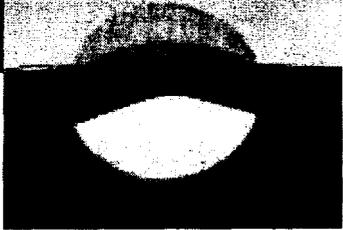
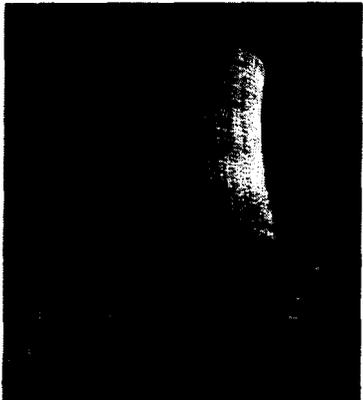
Cooling Tower Park
 Est. cost: \$2,000,000

Cooling Tower Park is a unique destination amenity that welcomes visitors and tenants to enter and circulate within one of the site's cooling towers. A platform inside elevates visitors above the open skirt at the tower's base to allow them to fully experience the extraordinary acoustics, immense scale and graceful curves of this remarkable piece of architecture.

Visitors are elevated within the tower to fully experience its extraordinary acoustics, immense scale and graceful curves.

Remnants adjacent to the tower include the domed top of a reactor building, to be retrofitted into a visitor's center featuring exhibits, public restrooms, and food vending. To the south is an open air amphitheater, flanked by a naturally forested hill, to house theatre and other regional events.

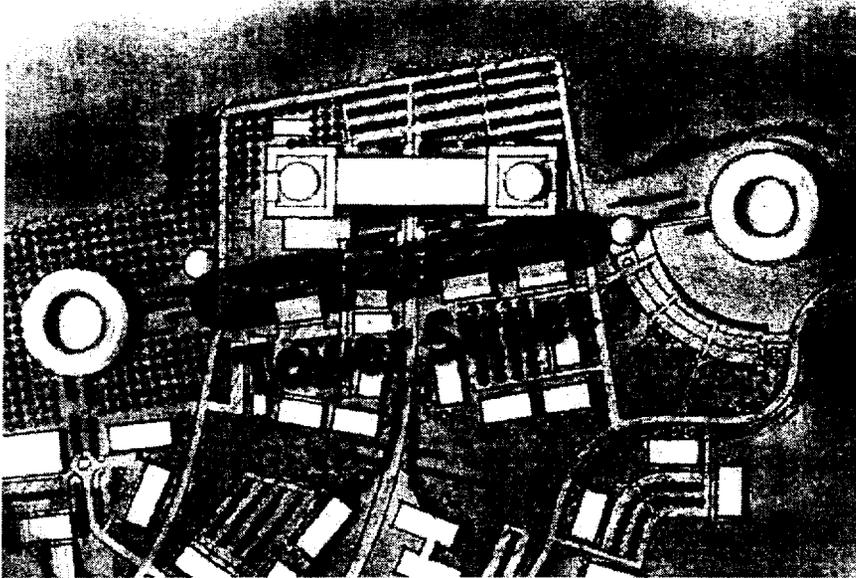
Cooling Tower Park creates a compelling attraction for both visitors and children in the development's planned on-site daycare center.



View from beneath Cooling Tower



V. A Master Plan for Satsop

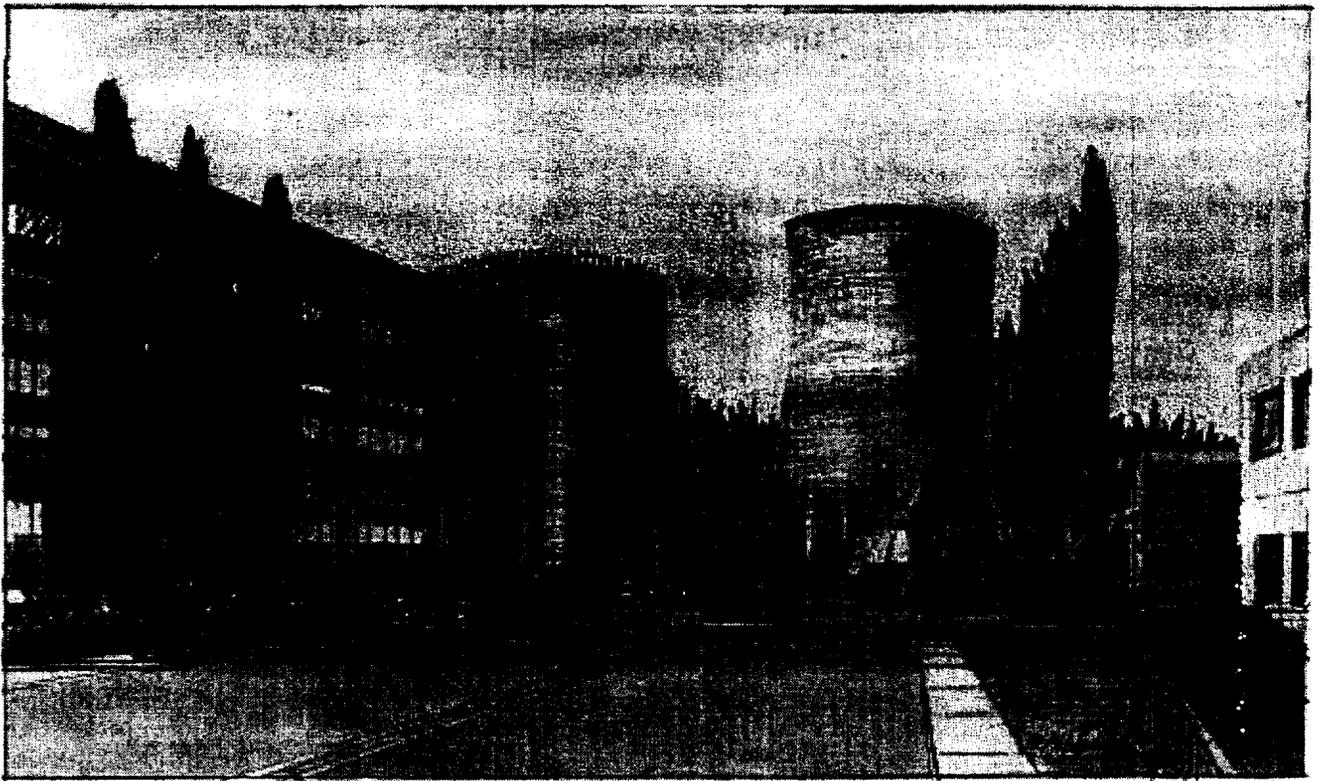


Tower Street
Est. cost: \$710,000

Tower Street creates an urban boulevard that visually pulls the project's two principal icons – the cooling towers – into alignment and draws them into the visitors' and tenants' vehicular and pedestrian experiences.

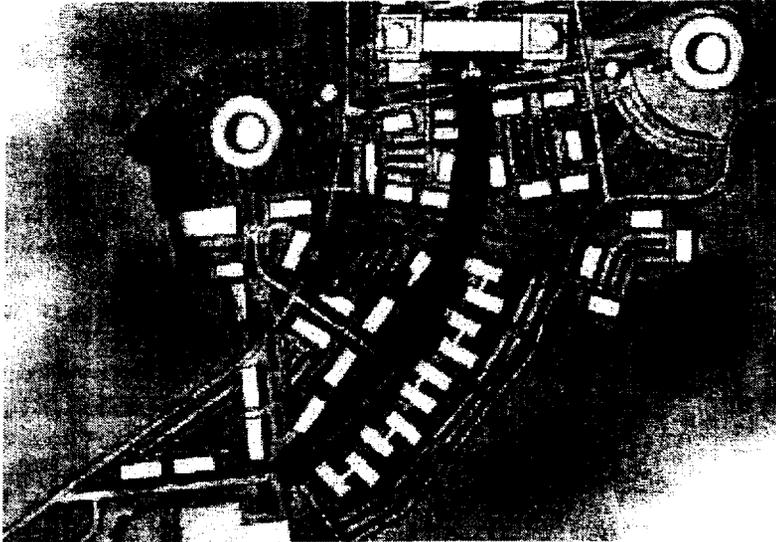
The existing Turbine Building and Administration Building, along with planned new architecture flanking the street, reinforces this visual urban corridor and creates a promenade drawing down to Cooling Tower Park.

Tower Street creates an urban boulevard that pulls the site's principal icons – the cooling towers – into alignment and draws them into the visitor's experience of the Park.



View looking east toward Cooling Tower Park. (Turbine Building is at left.)

V. A Master Plan for Satsop



Main Street

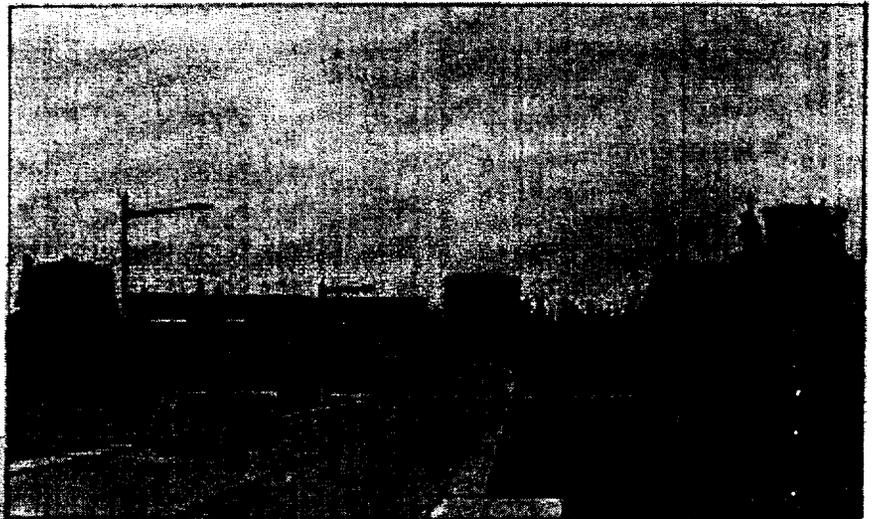
Est. cost: \$1,700,000

As you enter the site from the existing main road, you'll arc up through the development along Main Street toward the always visible reference points of the cooling towers. In another moment, the Park's centerpiece — the Turbine Building — slides into view ahead of you and between the towers. Beyond these anchoring structures are stunning views of the Olympic Mountains.

On either side of you is the open, meadow-like expanse of the Great Lawn, the Park's central greenspace. The Great Lawn contains unbroken space large

enough for softball or other games, and a network of paths linking the intimately-scaled architecture of the buildings making up the tenant quads, visible where they overlap the Great Lawn. Main Street terminates at the Turbine Building and Tower Street, the development's urban corridor.

*Main Street, flanked by Great Lawn
(looking north toward main entrance
and Olympic Mountains)*



*Main Street (looking south
toward Turbine Building)*

V. A Master Plan for Satsop

Master Plan Summary and Cost Estimate

Infrastructure	Cost Estimate
Roads	
– Main Street: Median, one lane each way with utility corridors	\$ 1,700,000
– Tower Street: Connect Towers 3 & 5; tree plantings (does not include adjustment of existing underground utilities)	\$ 710,000
– Modify roadway intersections (park entry)	\$ 500,000
– Pave road to Telecom building	\$ 100,000
– Transportation plan (complete road design)	\$ 50,000
– Interior secondary roadway	\$ <u>300,000</u>
<i>Subtotal</i>	\$ 3,360,000
Water (Domestic)	
– Water system upgrade	\$ 1,500,000
– Chlorinator system	\$ 75,000
– Water system extensions	\$ <u>1,050,000</u>
<i>Subtotal</i>	\$ 2,625,000
Sewer	
– Activation, completion of site wastewater treatment plant	\$ 1,200,000
– Sewage treatment building (lab)	\$ 100,000
– Septic system, West Park Complex	\$ 150,000
– Sewer system extensions	\$ <u>1,000,000</u>
<i>Subtotal</i>	\$ 2,450,000
Other	
– Infiltration – inflow corrections	\$ 500,000
– Storm water drainage modification	\$ 200,000
– Fire system upgrades	\$ 1,000,000
– Grading of site	\$ <u>1,000,000</u>
<i>Subtotal</i>	\$ 2,700,000
Electrical	
– Completion of electrical system and site improvements	\$ 3,000,000



SAFEHARBOR.COM: AN INDUSTRY LEADER

SafeHarbor.com is an industry leading customer support and interaction services outsourcer that delivers to progressive companies superior, Web-focused customer service while reducing time to market and start-up and support costs.

SafeHarbor.com understands that the Web has changed how people seek information and rendered traditional customer service solutions inadequate. Because of this evolution, SafeHarbor.com delivers interactive Web solutions through customized Knowledge Bases, state-of-the-art infrastructure and expert Knowledge Engineers.

SafeHarbor.com's services capture and simplify requested information – resulting in fast, efficient customer support and more satisfied customers.

SAFEHARBOR.COM: SUPERIOR ADVANTAGE

SafeHarbor.com:

- enables progressive companies to scale at the pace of the Internet by providing comprehensive, Web-focused customer service solutions – accelerating time to market and ROI.

- leverages the Web to capture, create and deliver graphical, interactive self-help Knowledge Bases, which when applied in concert with other Web- and phone-based support services deliver faster service and create happier customers.

- provides world-class infrastructure that scales instantly to meet demand and company growth.

SafeHarbor.com
www.safeharbor.com

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Satsop Development Park
Satsop, Washington

Marketing and Sales
1326 5th Avenue
Seattle, Washington

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SAFEHARBOR.COM: LOCATION IS EVERYTHING

Located at a former nuclear plant site in Satsop, on Washington's coast, SafeHarbor.com's 44,000 square foot customer service facility boasts extensive system redundancy and network communications connectivity so robust it's capable of handling phone traffic for the entire United States.

The Satsop site was originally owned and developed by the Washington Public Power Supply System until 1994 when construction was formally abandoned due to lack of funding. In 1998 the site was transferred to the Regional Public Development Authority and became the world's only high technology development park with nuclear site-quality infrastructure.

SafeHarbor.com's state-of-the-art infrastructure ensures uninterrupted customer service support, backed by highly-trained Support Analysts and expert Knowledge Engineers.

SAFEHARBOR.COM

THE WEB HAS CHANGED THE WAY PEOPLE SEEK INFORMATION.

We are in the midst of an astounding and fundamental evolution in how both customers and businesses view customer support. Expectations about quality of service, response time and depth of information are soaring. As the increasingly e-savvy public's desire for effective support grows, there is an increasing interest in personalized, self-service options via the Web.

Building a customer support infrastructure, including staffing, training and technical systems, is extremely costly and time-consuming. Traditional customer support follows an inefficient 1-to-1 communication model, and as traffic builds, customers are becoming increasingly frustrated with long waits and often-unproductive results.

SAFEHARBOR.COM PUTS CUSTOMERS ONLINE, NOT IN LINE.

To address this evolution quickly, SafeHarbor.com is forging a customer service revolution – delivering immediate, graphically-rich, easy-to-understand support services via the Web – increasing customer satisfaction while lowering support costs. SafeHarbor.com's solutions provide a single, holistic view of the customer that the Customer Relationship Management movement has been striving for.

SafeHarbor.com's Web-based Contact Center approach puts customers online instead of in line, replacing the inefficient 1-to-1 phone-centric support model with the unprecedented efficiency of a 1-to-many self-help concept.

The Contact Center empowers customers by giving them a number of ways to find the answers they need quickly and easily. The overwhelming majority of issues can be resolved within the KnowledgeBase, a powerhouse of visual solutions that incorporate graphics-like diagrams, screen shots and schematics – even delivering audio and video instructions. When more complex issues arise, customers can initiate a Web Case, use Advanced Chat, or reach a SafeHarbor.com support analyst the old fashioned way – by phone. Most importantly, SafeHarbor.com's services are all transparent to the customer – they continue to interact as if they are still at the business' Web site, receiving the superior customer service they expect.

Unlike most traditional call centers, SafeHarbor.com fosters a stable, highly motivated and expertly trained workforce. SafeHarbor.com's best-of-class training and technical infrastructure promises absolute security and the ability to scale instantly and infinitely as business demand increases. By outsourcing, companies don't have to make a hefty investment in systems and specialists, and don't have to spend the time implementing their in-house solution – SafeHarbor.com can get companies up and running in a matter of weeks. They also benefit from a lower cost of ownership, keeping internal resources focused on core competencies. In addition, companies get the ultimate cost control from SafeHarbor.com's flat monthly subscription pricing model.