

Wallowa County Telecommunications Plan

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Introduction

In partnership with the Eastern Oregon Telecommunications Consortium (EOTC), the Wallowa County Telecommunications Committee (WCTC) was formed in the spring of 2000 to provide a local perspective to the acquisition of enhanced, broadband telecommunications services for all communities in Wallowa County. Wallowa County is a founding member of the committee and is represented by County Commissioner Dan DeBoie. EOTC provides the regional leverage to engage communities, telecommunications service providers, policy makers and funding sources in collaborative activities to identify and implement improvements needed in the region.

To improve the effectiveness of EOTC to represent Wallowa County, the County requested assistance from Northeast Oregon Economic Development District (NEOEDD) in developing an initial telecommunications plan. An ad hoc committee of interested parties began meeting to discuss what was needed to improve the telecommunications infrastructure of the County. State, county, municipal and private entities were contacted to provide information for the plan. As a result of these meetings, the initial plan was developed and presented to the Wallowa County Commissioners. The initial plan utilized the telecommunication needs survey conducted by NEOEDD in February 2000 and other regional plans. The initial plan was completed in 2001.

Since that time, the WCTC continued to meet. WCTC was recognized as an official Wallowa County committee in 2002 by the County Commissioners. In March of 2003, the WCTC decided to seek funding to update the telecommunications plan and to develop an action plan of telecommunications improvement projects for Wallowa County. Funding for a 90 day project was secured from EOTC. A contractor was chosen in April of 2003 and work began in May.

During the development of the initial telecommunications plan, and in this subsequent update, there are two points that have been consistent.

The first of these points is that telecommunications is not a “frill”. We have learned that **telecommunications is necessary to the very survival of basic community institutions in our county**. Hospitals, schools, emergency services and businesses all depend on affordable, reliable telecommunications just to keep their doors open.

The second is that the last great change of this magnitude to come to rural Oregon was rural electrification. In that case, society recognized that providing electricity to the most remote communities was a benefit to every citizen no matter where they lived. In today’s vastly changed regulatory environment, we do not have a similar mandate. There is no Rural Telecommunications Act that mandates broadband internet access as a universal service. Today, telecommunications carriers are competing for business in densely populated urban areas. We have to recognize that our rural communities will always be more expensive to serve by the fact of our lower densities, and that **we have to work together to achieve the same kinds of telecommunications improvements that urban areas take for granted**.

The goals of this plan are to:

- 1) Communicate how Wallowa County’s basic community services and economic

vitality are increasingly dependent on high speed, broadband telecommunications services;

- 2) Document current services, issues and the range of technological and policy options that could provide for improved affordable services in all areas of the county and,
- 3) Recommend and promote actions to be taken during the next 5 years in order to improve access to advanced telecommunications services.

Planning Assumptions

The following assumptions are reflected in this document:

1. The Wallowa County Board of Commissioners is the public entity responsible for the formulation of a county-wide telecommunications plan. The policy and criteria in the plan provide a framework for seeking improvements in access to advanced services, supporting telecommunications applications for economic development projects and improving the quality of life.
2. The telecommunications plan, because of the present nature of the industry (rapid technological advances, increasing demand for services, and an uncertain regulatory environment), will be a work in progress requiring annual updating by the Wallowa County Telecommunications Committee.
3. Interested citizens and groups will be encouraged to aid in the development and updating of the plan by reporting opportunities, identifying problems and barriers, and making recommendations on solutions to problems and removal of barriers.
4. Coordination of the planning effort will be the responsibility of the Wallowa County Board of Commissioners in collaboration with the Wallowa County Telecommunications Committee. All parties with an interest in telecommunications services are invited and encouraged to participate in committee activities.
5. Verizon and other telecommunications companies providing services in Wallowa County are committed to extending quality, advanced services to their customers as rapidly as possible within the framework of their capital budgets.
6. Collaborative community-based planning efforts can enhance opportunities for private sector telecommunications service providers to improve services. Agreements between service providers to work together are part of the normal course of doing business. Involving the community in deliberations about services requires a new mind set on the part of telecommunications service providers.
7. In order to obtain advanced services, government may find it necessary to become a provider of last resort and to enter into collaborative arrangements with the private sector, including assistance in financing improvements.

Existing Telecommunication Infrastructure

Local and long distance service is provided by Verizon, Unicom, and Priority One. Long distance service is also available from other entities such as Sprint, ATT, and MCI. Licensed Cellular phone service is provided by US Cellular and Cellular One.

Internet service is provided locally by EONI (Eastern Oregon Net Inc.), OTI (Oregon Trail Internet), Unicom, and OregonVOSNet (Oregon Video Online Services). Additionally, a new, wireless based Internet provider, WVIP (Wallowa Valley Internet Provider) was scheduled to begin service in August 2003. Verizon, the largest telephone company in the area, does not offer internet service with a local dial up server in Wallowa County. OTI, EONI and Unicom now have a wire based, broadband system similar to DSL (digital subscriber line) available in a 3 mile radius of Enterprise. EONI and Verizon also provide frame relay services in Wallowa County. EONI has a wireless service covering the Enterprise and Joseph areas. WVIP will be covering, initially, the Wallowa area with their wireless service.

In 2001-2002, Verizon finished laying fiber optic cable within Wallowa County. Currently, the Wallowa, Enterprise and Joseph Verizon central offices are connected together via fiber optics. Imnaha River Woods has been connected to Imnaha via fiber optics and the digital microwave dish that serves Imnaha was upgraded. The two microwave radio transmitters and receivers on Howard Butte continue to be used for transmission out of Wallowa County.

Fiber optic connection to Union County remains a high priority for Wallowa County, but Verizon reports that this will cost between one and six million dollars. Currently the radio has unused capacity of less than one third of the total capacity, however, once the radio reaches full capacity, fiber optic will be less costly to install than upgrading the existing radio system. As of August 2003, there has been indication from Verizon that a fiber optic cable may be laid between Wallowa and Elgin as soon as spring of 2004.

The Competing Local Exchange Carriers (other phone companies) lease equipment from Verizon in order to provide service in Wallowa County.

Crestview Cable provides cable TV services in Wallowa County. Crestview rebuilt their system in Central Oregon and are providing cable modem services in Prineville, and surrounding towns. Plans to rebuild the system in Wallowa County to allow Crestview to offer cable modems are being delayed until Crestview has evaluated the system rebuilds in Central Oregon.

Cellular telephone service is provided by Cellular One and US Cellular. They each have only one cell site and both of them are located on Sheep Ridge west of Enterprise. Cellular coverage is adequate in Enterprise, Joseph and Lostine, but is spotty in Wallowa and non-existent at Wallowa Lake. All cellular, PCS and GSM frequencies in Wallowa County have been auctioned off by the FCC, but only the A and B licenses are in use.

Critical Users

Wallowa County Schools

As a result of SB 622, education programs in the four school districts of Enterprise, Joseph, Wallowa and Troy along with Wallowa Education Service District, receive basic and advanced phone services. Advanced services include multi-line phone systems (2 Private Branch exchange (PBX) systems), high speed internet access (with the exception of Imnaha Elementary School with 56K dial-up access) and video conferencing installed at each high school and the ESD. All of the schools qualify for the federally funded schools and libraries e-rate connectivity reimbursement program. Under this program, schools receive reimbursements for phone services and internet access costs. In 2002, the Wallowa ESD built a broadband wireless system connecting the Enterprise, Joseph and Wallowa schools. The ESD currently maintains two T1 connections to the Internet through the OPEN network in Clackamas County.

Blue Mountain Community College

The local Blue Mountain Community College (BMCC) office in Enterprise uses the Wallowa ESD computer lab and network.

Eastern Oregon University

Eastern Oregon University's regional office in Enterprise currently has one computer available to students for distance learning. The office has broadband wireless Internet access through EONI. Distance learning classes to support the Rural Frontier Delivery Nursing Program with Oregon Health and Science University and EOU's Masters in Teacher Education will be offered through the Education Service Districts V-TEL system.

Wallowa County Chamber of Commerce

The Wallowa County Chamber of Commerce completed a survey entitled "Bringing the Internet Economy to Wallowa County" in May of 2003. This project entailed interviewing business owners of over 77 cottage industries and various other commercial businesses in the county on their knowledge and use of Internet services. The purpose of the survey was to evaluate local interest in creating an electronic catalog (website) of products and services from Wallowa County and cooperatively marketing the catalogue on the Internet. The catalog would include bronze sculptures, paintings, pottery, quilts, outfitter services, art and museum tours, etc. It was determined during this process that the businesses would like to see, and would use, this type of promotional tool.

For this project to work effectively there is a need for reliable and redundant broadband Internet access within the county for both access of the system by the businesses and management team as well as the users of the catalog.

Wallowa Memorial Hospital

The Wallowa Memorial Hospital is also utilizing the Wallowa ESD wireless network. This access has allowed them to improve their diagnostic imaging capabilities through

consultation and image review by outside experts. In the future they may be able to take advantage of video conferencing services over the Internet for continuing education and consultation with medical specialists at other hospitals.

The Wallowa County Health Care District supports the efforts of the Wallowa County Board of Commissioners and the Education Service District to find solutions to Wallowa County's needs for updated 21st century technology. Residents' lives may depend on it. The state government needs to recognize the necessity of updated 21st century technology in Wallowa County.

Wallowa County Mental Health

The mental health clinic in Enterprise has a video telephone system. This system of video telephones uses regular analog audio lines. This system is not of the best quality and is currently not used often. They also have 56k access via the OregonVOS system which has a dialup hub in the clinic's office.

Northeast Oregon Area Health Education Center (NEOAHEC)

NEOAHEC provides health education for health care professionals throughout Northeast Oregon. Several factors combine to make NEOAHEC a critical resource for ongoing community viability. Health care providers need ongoing training to remain certified in their field, but must travel great distances to attend classes. The scarcity of health care professionals in rural areas means that the role of volunteer para-professionals such as Emergency Medical Technicians (EMTs) becomes critical. EMTs also require ongoing training. The availability of EMTs is often a matter of life and death for residents in remote rural areas. As volunteers, these individuals are already donating a great deal of time to their community. Driving long hours to participate in ongoing certification courses becomes a significant burden.

Until 2001, NEOAHEC had been using the Oregon EDNET satellite-based system to deliver continuing education to every level of health professional, from physicians to EMTs. Such delivery proved cost-effective because of the economy of scale. No Northeast Oregon community has enough of any specific type of health care professional to make it cost effective to bring high quality, face-to-face, education directly to their community. Telecommunications can allow that education to be delivered to numerous communities at the same time very cost effectively. This system has proven successful enough to halt the declining trend of EMT availability in some counties.

With the termination of the satellite services in early 2001 and the advent of land-based IP services in Oregon, the cost structure of providing distance education has changed dramatically. Line charges and initial equipment purchases needed to access the IP system are difficult for small communities to finance. Funding is needed to help place such systems into small clinics and hospitals throughout the region. Once installed, the ongoing monthly costs of high bandwidth service will need to be shared with other health care providers in the region or with other organizations such as the ESD. These rural areas cannot afford the \$1,400 price quoted by Verizon for the monthly rate on a T-1 line. Rather, those lines need to be shared with other community entities to help them become affordable. NEOAHEC is vitally interested in the development of collaborative solutions to this issue.

Health care professionals are far more likely to stay in a rural community when they have

easy access to ongoing education and can stay abreast of changes in their field. Additionally, many smaller clinics throughout the region can survive only if they have continuous education for their office management team. Therefore, broad-band telecommunication which delivers two-way, interactive video education is very important to the retention of health care professionals and the fiscal survival of small rural clinics.

NEOAHEC is currently following the Oregon Public Electronic Network (OPEN) installations with interest. OPEN is a non profit ISP that grew out of Salem Public Library programs. NEOAHEC has continued to have problems with content delivery via Internet links and only currently offers a minimum amount of content to Wallowa County because of that ongoing problem. If delivery of content could be of a higher quality and more reliable, they would offer more educational opportunities to Wallowa County.

City of Enterprise

The City of Enterprise has a ten year old PBX (Private Branch Exchange) phone system which allows communication via intercoms or extension numbers with all the city departments, the volunteer fire department, the sheriff's office, and the Enterprise police station. The fire siren and pagers for the fire fighters are also part of the phone system. The city has regular dial-up internet service provided by a local carrier and shares the fax line with the internet phone line.

The city currently has to pay to send law enforcement and fire fighters out of the County to meet continuing education requirements. A shared video conferencing system would allow trainees to meet requirements without long travel.

Enterprise City Library

The Enterprise City Library has broadband Internet access through EONI and has computers available for public access. Like the other public libraries in the County, the Enterprise library's public access computer has a high level of use from residents and visitors.

Wallowa County Library

The County Library office located in Enterprise is not a public access library, but serves as a central office for the remote branch libraries and as a resource for the smaller city libraries. Like the Enterprise library, the County library has broadband Internet access through EONI.

Wallowa County Government

Wallowa County Government departments located in the Courthouse are part of a Local Area Network (LAN) and have DSL service provided by Unicom. Departments located outside of the Courthouse, like the Juvenile Department and Road Department, are dependant on dialup Internet connections.

Wallowa County Sheriff's Office and Office of Emergency Services

Currently the Sheriff's office is using a 2 way radio system that is 20 years old. This system connects all the fire departments and EMTs, as well as the Sheriff's office and Enterprise Police department. Three mountain top repeaters are in use with this system and operate

by line of sight. This means that the Imnaha, Minam and Troy areas have poor or no reception. The county received a grant for \$355,000 from the US Office of Domestic Preparedness, via the State of Oregon, in July of 2003 to upgrade the radio system. The upgraded system will improve interoperability between public safety agencies in the county.

The department of Emergency Services has a satellite phone system provided through a state grant to the County Health Department. The satellite system used by Emergency Services also has internet capability.

Internet access is through the Courthouse LAN and Unicom DSL connection.

The Emergency Services office also sees a need for a command center with 10 - 15 phones dedicated only for emergencies. In other areas these phone lines have been donated by a local phone company for use in emergencies only.

Other related needs are for a video conferencing system for the circuit court, caller id for the regular phone lines, and infrastructure support for the amateur radio operators who can provide emergency communication out of the county when there is a state wide telecom outage.

City of Wallowa

The City of Wallowa currently has internet access provided by Oregon Trail and the city uses the internet primarily for e-mail. The City of Wallowa considers fiber optic connectivity essential for economic viability. The County library branch in Wallowa has a public access computer but only one shared telephone line which means that if someone is using the computer for internet access no one can call the library or use the telephone.

City of Joseph

The City of Joseph and the Joseph City Library each have an internet connection provided by EONI. The city has six telephone lines which include four for the city hall and one for the Fire Hall and one for the Sewer and Water office. The city uses the internet connection primarily for e-mail and the Library provides a computer for public access to the internet. There is a high demand for time on the single public access computer.

Oregon State Police

The State Police office in Enterprise uses email for daily reporting. The local office reports that there is often difficulty accessing the e-mail system, there are frequent busy signals. The State Police are part of the state internet system.

Other State Agencies

State agencies have both phone and Internet service provided via the state system. Agencies responding to a request for information for this document stated that they used the internet to access state statutes, to conduct research, access weather information, to register for training, to keep updated on policies and to send e-mail.

U.S. Forest Service

The U.S. Forest Service in Wallowa County has a large complex PBX that includes Direct Inward Dialing (DID) 8 tie trunks via a T1 line and 5 central office lines. The Internet service is provided thru leased lines provided by a contractor. Despite this level of service the Forest Service reports problems in transferring files to the Supervisors Office in Baker.

Idaho Power

Although Idaho Power transmission lines transverse part of the County and the Union County Telecom Plan notes that Pathnet connects Idaho Power stations via fiber optic cable, Idaho Power and Pathnet do not provide telecommunication service in Wallowa County and have no plans to do so.

Wallowa County Telecommunications Action Plan

The Telecommunications Action Plan is made up of action items of varying scope and size. This list of action items were initially chosen because they all have the potential to improve the telecommunications situation in Wallowa County.

The WCTC (Wallowa County Telecommunications Committee) is tasked with pursuing resources to promote the completion of these action items and with revising, adding or removing action items.

1. Complete the fiber optic cable path between Elgin and Wallowa
2. Expand high speed Internet access availability
3. Establish wireless Internet “hot spots”
4. Explore and promote the purchase of the Verizon service area by a local or other existing rural service provider
5. Explore and promote alternate fiber optic paths out of the County

Action Item 1 – Complete the fiber optic cable path between Elgin and Wallowa. This action item is the keystone to expanding and improving telecommunications in Wallowa County. Currently, all telecommunications in and out of Wallowa County is routed over a single Verizon microwave path and offers no redundancy. Completion of this fiber optic path would provide a seamless fiber optic transmission line from Joseph, through Enterprise and Wallowa to the existing fiber optic path in Elgin. The existing fiber optic path in Elgin continues on to La Grande and allows connectivity to several other long haul fiber optic cables.

Once the fiber path is complete, the existing microwave system would provide a backup path in the event of a fiber cut between Elgin and Wallowa. Additionally, the fiber optic cable would allow for increased capacity over the existing microwave system.

Action Item 2 – Expand high speed Internet access availability. Currently, other than satellite access, access to high speed Internet services is limited to the core areas of Enterprise, Joseph and Wallowa. A DSL type service is offered in Enterprise and broadband wireless services is available in Enterprise, Joseph and Wallowa. However, there is significant demand for high speed service outside of the core city areas.

The biggest hurdle to providing high speed access is what is known as the “last mile”. The “last mile” refers to the connection, regardless of technology used, between the phone company central office and the end user. There are several technologies that can be used to surmount the “last mile” problem.

Wireless broadband is one solution. It provides for connection speeds of 128k to more than 10M. This technology is currently in use in other areas of the country and is in limited use in Wallowa County. The wireless products in use in Wallowa County are of relatively short range (less than 1.5 miles), which is why deployment is limited at this time. There are other technologies available that allow for ranges in excess of 10 miles.

A second solution is to install distributed DSLAMs (Digital Subscriber Line Access Module) to provide DSL services over a wider area. Due to the distance limitations of DSL products

(approximately 22,000 feet), a system of distributed DSLAMs would be necessary in Wallowa County to provide the most effective coverage. This is a solution that only Verizon could provide at this time as they own the telephone wire infrastructure. A solution of this type was undertaken in the Burns area by the local telephone provider and has proven to be highly successful.

Another solution that is emerging is the transmission of data over power lines. There is a distance limitation similar to DSL with this solution. Also, since this is a fairly new technology and is constantly evolving, product availability is currently limited. This should change within the next year.

A fourth solution is a hybrid type system using two or more of the above technologies. This ultimately may prove to be the most cost effective solution considering the topography, weather and population distribution in the County.

Action Item 3 – Establish wireless Internet “hot spots”. An increasingly popular way to access the Internet is the wireless “hot spot”. These “hot spots” are areas, ranging from 100’ radius to multiple city blocks, where wireless Internet access is available to anyone with a computer (generally a laptop) and an inexpensive wireless data card (using the 802.11b standard). In many areas the access is free to anyone that wants to use it. It is also a pay service in other areas.

There is considerable excitement over establishing “hot spots” in Wallowa County. Many merchants see it as a way to attract more customers and as a selling point for attracting tourists.

A basic “hot spot” can be established for as little as \$250 plus a monthly recurring cost of around \$100 for Internet access.

Action Item 4 – Explore and promote the purchase of the Verizon service area by a local or other existing rural service provider. This action item is one that may ultimately determine the real telecommunications future in Wallowa County. Verizon has expressed that they most likely won’t be offering any advanced data or voice services in Wallowa County in the future. If the citizens of Wallowa County truly want to control their telecommunications future, then they need to control the telecommunications infrastructure either through establishing a local telecommunications provider and subsequently purchasing the existing telephone, and possibly cable television, infrastructure or by assisting an existing telecommunications provider that is focused on rural service to do so.

This will not be a cheap or quick action item to pursue. Initial estimates for the purchase of the Verizon infrastructure and customer base are in the \$15-30 million range. Ultimately, this may prove to be a wise investment. Many rural areas in Oregon are served by small, independent telecommunications providers and most of those have the latest technologies and services available to their customers.

Small, rural providers are eligible for RUS (Rural Utility Service) and FCC (Federal Communications Commission) grant funding to improve infrastructure, where the larger providers, like Verizon and Qwest, are not eligible.

Pursuing this action item will require commitment from not only the WCTC, but also from the city and county governments in Wallowa County, as well as the citizens. However, this may

ultimately prove to be the answer to Wallowa County's telecommunications problems.

Action Item 5 – Explore and promote alternate fiber optic paths out of the County. To have a truly robust and reliable telecommunications infrastructure, you need to have redundancy in your access to the outside world. Currently, Wallowa County is dependant on a single, non-redundant path via microwave. When the fiber optic path to Elgin is complete we will have a basic level of redundancy to the outside world. However, we will still be reliant on the Verizon facilities in La Grande. Also, the microwave system, which would be the backup path, is of limited capacity and would not provide full redundancy for communications out of Wallowa County.

An alternate fiber optic path is what is needed to offer full redundancy. One possibility would be to connect to the telecommunications infrastructure in Halfway via a new fiber optic cable. A second possibility is to connect to the Idaho Power infrastructure that traverses the county. Currently, Idaho Power is using their infrastructure for internal use only and does not offer access to outside entities. This could change in the future.

A fiber path along Highway 3 to Asotin, WA is yet another alternative that could be explored, though it would most likely be the most expensive. There may also be other, currently unforeseen, alternatives.

Community Profile Summary

Wallowa County is located in the Northeast corner of Oregon and has a population of 7,226. Wallowa County comprises 3,153 square miles, has a population density of 2.28 persons per square mile, and an estimated per capita assessed value of \$61,844/person for the year 2000. The County borders Idaho on the east and Washington on the north. Umatilla and Union Counties are to the west and Baker County is to the south. Hells Canyon, the Wallowa Mountains and the Eagle Cap Wilderness are prominent geographic features of the County as are the Grande Ronde, Wallowa, Lostine and Snake Rivers. The County's topography varies dramatically and includes forested foothills, high plateaus, snow-covered mountains, rim rock canyons and fertile valleys. The Hells Canyon National Recreational Area and Eagle Cap Wilderness both offer spectacular outdoor recreation opportunities. The forest products industry is a key employer in the area. Agriculture makes a significant contribution with livestock as the largest component, followed by hay and grain. An arts industry has developed in the past 15 years with the establishment and expansion of bronze foundries and galleries. Federal, State and local governments are the largest employers in the County. Based on an analysis by the US Forest Service GIS Coordinator, 59% of the County is publicly owned including state and federal lands. The financing of the County government has been negatively impacted by the reduced level of timber harvesting. Until recently, the US Forest Service paid the County 25% from local timber sale receipts in lieu of taxes. Timber sale receipts decreased 83% from 1990 to 2001. A new federal law uses a formula to calculate the money allocated to the counties to compensate for the reduction in timber sales. This formula uses an average of the County's receipts for the years 1986 to 1995. Most of this revenue goes to county road maintenance and schools.

Wallowa County is blessed with abundant natural resources in the form of forested mountains, productive farmland, rangeland, and fresh water. Forested land covers much of the land area and provides the raw materials for Wallowa County's second largest manufacturing sector - lumber and wood products. Until recently the lumber and wood products sector was the largest private employer in the County. The Wallowa-Whitman National Forest has traditionally supplied much of the timber used within the wood products industry. The amount of timber available from this source has fallen dramatically as timber sales have been restricted through the environmental review process, the Endangered Species Act, and changing public opinion about the uses of public lands.

The County is served by two state highways (82 and 3) and numerous county roads. The Port of Lewiston, which is located 90 miles north of Enterprise, provides barge transportation for county crops. In 2002, the Union Wallowa Railroad Authority was formed and purchased the Idaho Northern and Pacific Railroad branch line between Elgin and Joseph. Efforts are currently underway to increase the currently limited freight volume on the line.

Scheduled air service is available in Pendleton at the Eastern Oregon Regional Airport and at the Lewiston, Idaho airport. SkyTaxi service is available from the Joseph airport. General aviation airports are located at Enterprise and Joseph. Wallowa County's airports have recently been improved; the Joseph State Airport was expanded and upgraded, and the Enterprise Municipal Airport was resurfaced.

With the limited transportation options available, access to advanced, not just adequate, telecommunications becomes even more urgent for Wallowa County. Improved telecommunication is critical if the County is to recoup losses in the timber industry.

Progress must be made in the communication system in order to maintain health care services, economic stability, and community well-being.

Access to educational facilities is generally good throughout the County. Enrollment in elementary and secondary schools has recently begun to decline in Wallowa County due to out-migration of families. The County is served by Eastern Oregon University in La Grande, which is a four-year degree granting university, and by Blue Mountain Community College in Pendleton, which is a two-year associate degree granting and technical college. Enrollment in these institutions has increased steadily over the past five years. Both institutions offer distance learning classes and external degree programs within Wallowa County.

Strengths, Weaknesses, Opportunities and Threats Analysis

Strengths

The **quality of life** is the most important asset that Wallowa County offers to its residents. The sense of community, the relatively low cost of living, access to higher education and cultural opportunities through neighboring institutions, low crime rate, rural lifestyle and a lack of congestion are components that contribute to the County's quality of life. Blue Mountain Community College and Eastern Oregon University provide quality training and educational opportunities through distance learning as well as local programs.

A new entrepreneurial development assistance program is helping new businesses become established or existing businesses to expand. This effort will build upon the high rate of business ownership in Wallowa County. These businesses will be more successful and hire more employees when the owners are able to improve their business management practices.

Weaknesses

The **resource based** economy and lack of economic diversity constitute the area's major weakness. The economy is subject to severe impacts if the forest products and agriculture industries are curtailed or market forces drive prices down. The loss of higher paid natural resource jobs in both the public and private sector, and in many cases their replacement by lower-paid service jobs lacking benefits, means that incomes are often not sufficient to meet basic family needs.

Wallowa County has **no true redundancy** in telephone service. There are two microwave radio transmitters on Howard Butte which gives a backup in the case of equipment failure, but in the event of a prolonged power outage and generator failure, there would be no telephone communication out of the County. The remoteness of the County also creates issues around last mile service to residences and businesses.

The workforce is **generally unskilled** in technological areas and most advanced training and education programs are located outside the County, necessitating travel in order to complete a college degree or obtain job training in a technological field.

Wallowa County's **remoteness**, while viewed as a strength, is also one of its main economic weaknesses. Wallowa County also suffers from a limited supply of industrial sites that are serviced with infrastructure.

Inadequate telecommunications infrastructure is a weakness for most of the communities in the County. Low population density and remoteness contribute to the lack of incentive for telecommunication companies to invest in infrastructure.

Opportunities

There is an opportunity for **cooperative efforts** to improve telecommunication infrastructure throughout the region through the efforts of the Eastern Oregon Telecommunication Consortium. Connecting Wallowa County to Union County with fiber optic cable will allow Wallowa County to move forward with diversified economic opportunities.

Development of **new training and degree programs** related to science, technology and natural resources at Eastern Oregon University could attract new students to the area while meeting the needs of growing and changing industries. Once graduates become established in their fields, they may stay in the area to provide a source of new business investment. Distance learning for degrees, continuing education and training opportunities are increasing. Some distance learning programs require a two way video connection which is not currently available through the college programs.

Agriculture processing and **wood products processing** are areas with opportunities for growth. Significant amounts of raw product from both industries are shipped out of the County. Certified, sustainably managed wood products are also seen as a way to add value to raw products. The development of stewardship contracting could package a variety of resource management activities and help provide year-round employment for workers displaced by a downturn in the timber industry. The establishment of additional businesses supplying the recreational vehicle and manufactured home manufacturing sector is seen an opportunity.

The **tourism industry** has the opportunity to expand the visitor season through development of additional fall, winter and spring activities and events. The Nez Perce Homeland project in the city of Wallowa should increase opportunities for attracting visitors and extending their stay in the region. Cooperative marketing with other counties and attracting international tourists, as well as developing venues for educational tourism and attracting visitors during the Lewis & Clark bicentennial, are also opportunities. Many tourist-dependant businesses could market their business through web pages, e-mail newsletters and internet marketing services.

The market for **retirement** and **assisted living facilities** for the elderly could grow rapidly in the next decade. As the "baby boom" generation grows older, additional services for the elderly will be needed. In addition, there is an opportunity to attract wealthy retirees to the County.

Expansion of **small cottage industries** and **light industries** is an opportunity that especially appeals to the smaller communities. Growth in the use of high technology equipment and telecommunications is projected to provide opportunities for new businesses. Additional professional services could increase local employment while exporting services in engineering, architecture, technical writing, environmental analysis, web-site development and other areas.

Threats

Federal policy and the resulting **restrictions on natural resource use** often pose a threat to the forest products and agriculture industries. The same forces may also limit the recreational use of the National Forests. Increased global competition is also perceived as a threat to agricultural and timber producers as prices for commodities decrease. Water issues, both quality and quantity driven, are especially threatening in the region. These issues include potential dam removal on the Snake and Columbia Rivers, increased demand by conflicting uses, and regulations that have a disproportionate effect on agricultural versus urban uses.

For the business community, **e-commerce**, **mail order**, **large discount stores** and increased **global competition** were seen as potential threats to main street and small

businesses, although e-commerce may also be a benefit in accessing new markets for local artists. Without affordable access to high-speed, broadband telecommunication local businesses will struggle to exist. Other rural areas that already have fiber optic connection are able to attract businesses that require this high level of service.

Public perception of rural issues can negatively affect policy decisions with immediate repercussions for rural areas. Due to transportation costs, it can be more expensive to upgrade systems in rural areas, and because of lower population, the return on the investment may not be considered adequate by the telephone companies.

With an increasing **older population** and **government limitation** on Medicare payments, the availability of and access to health care may be threatened. Without an updated communications system the hospital may fail to attract quality health care providers and may actually lose the ability to provide basic health care to the residents of Wallowa County. Access to high speed, broadband telecommunication is needed to provide even basic services.

Vision - Year 2010

Wallowa County has an economy that is diversified, healthy and growing, providing opportunities for future generations. The traditional, natural resource-based mainstays of the economy - agriculture and forest products - continue to provide a solid base of family wage jobs. The natural resources have been managed in an environmentally sensitive manner which has ensured a continued ability to provide for the agriculture and timber industries. Industries that were emerging in the 80's and 90's, such as general manufacturing, tourism and the arts, provide a growing source of family wage jobs.

Citizens of the County experience an excellent and ever improving quality of life. A quality environment and quality communities are cherished by this northeast Oregon County. The quality of life is based on the traditional and local values shared by the residents. Enhanced service levels, especially in the area of telecommunications are present to meet the changing needs of the County's citizens. The health care and educational systems are high quality and meet the needs of all citizens, young and old, both in remote areas and within the major towns. The quality of life has been enhanced by the ability of the citizens to make economic choices and have control over their lives.

Growth in the County has been carefully managed. Basic infrastructure and service delivery were planned to accommodate the region's changing economy and population. The growth has resulted in a continual development of a dynamic and viable economic base. The qualities that the residents treasure (communities, natural beauty, and the environment) have not been destroyed by growth.

The communities and citizens in Wallowa County have developed a networking system to control their own destiny. The network has allowed communities within the County to discuss and plan for growth and to market the County's economic development efforts to targeted audiences. The state and federal government participated in the network and followed the County's lead in making policy and funding decisions for the County.