



# Broadband Task Force Minutes

## Task Force Meeting

9/26 - Thursday 4:00pm – 5:30pm

**Convener:** Victoria Runkle - Chairperson

**Recorder:** Brian Sullivan – City Staff

**Present:**

Victoria Runkle	Rod Esch
Michelle Kempema	Jason Ogren
Trent Howell	Amy Dugan
Lavonna Longwell	Bret Naber

**Excused:**

- Bianca Fisher
- Matt Estrin
- Brian Siefried

**Guests:**

- Colman Keane, Executive Director of Broadband, City of Fort Collins
- Lori Sherwood – Project Manager – Vantage Point
- Fred Diehl – Vantage Point

## Agenda:

- **Welcome**
- **Approval of 8/22 minutes**
- **Presentation by Colman Keane, Broadband Executive Director – Fort Collins**
- **Discussion/Questions on Municipal ISP Topic**
- **Public Questions – From those not on the committee**
- **New Committee Business**
  - **Review of Meeting Schedule – Brian**
  - **Additional**
- **Next Meeting 10/24 – Uptown Services – Citizen/Business Survey Results**
- **Adjourn**

## Minutes:

1. **Meeting called to order by Chair**
2. **Welcome and introductions of attendees**
3. **Guest Presentation**
  - a. Coleman Keane –

- i. Originally an accountant. Moved into Technology and worked at Chattanooga to roll out the first municipal ISP in the country.
  - ii. Was asked to come to Fort Collins to run their municipal broadband effort
- b. Fort Collins - pop 170,000
- c. History of Fort Collins path to present point
- d. How the P3 decision fell apart for Fort Collins
  - i. Loss of funding from international investors
  - ii. Fort Collins had to move to retail model
- e. Municipal ISP model
  - i. Just launched the last couple of weeks
  - ii. Design – build model -
  - iii. 28% take rate – pay back in 15 yrs
  - iv. Commercial take rate is lower
- f. Question on lessons learned from other agencies
  - i. Bad tech decision
  - ii. Bad ethic decisions
  - iii. Answering the right questions
- g. Questions on PPP
  - i. Risk analysis
  - ii. Why are these companies not doing it without the City
  - iii. Definition on P3 – different levels of investments from private agencies
    - 1. Some will come in and ask city for full funding
    - 2. Some will come in and invest but sell off to City of Greeley
- h. Business Plan/Model
  - i. 10% business / 90% residential – in business plan
  - ii. Launching triple play
  - iii. Sharing of resources with Utility support services – cross training
    - 1. Mitigation of risks
    - 2. Extending hours -7-7 and Saturdays
  - iv. Build infrastructure – leverage existing electric system
  - v. Biggest cost – make ready costs – with telecommunication you have a right to be on pole
  - vi. Costs could vary based on utility
  - vii. Underground is more expensive / overhead is cheaper
  - viii. Technologies to use existing sewer system pipes
- i. Fiber is cost effective – based on long term use / can be ‘future proof’
  - i. Lots of technology options to allow for expansion
- j. Question about Fiber – is it really future proof
  - i. 5G – is not ready to truly support deployment
  - ii. 5G should be viewed as a drop technology
  - iii. Cheaper to deploy fiber than 5G
  - iv. Sat technology – 3-5 year per sat
    - 1. Only 3 or so companies
    - 2. Business case is undetermined
- k. Technology for the future
  - i. Make sure business plan allows for refresh
- l. 2Tb of capacity in Fort Collins
  - i. Can provide 10G to customers
  - ii. Replace cards to increase
  - iii. 100G
  - iv. Building N+1

- v. Using different tier1 on providers
  - vi. Always plan for 2x for what your need is
- m. Fiber
  - i. Low latency speed of data transfers
  - ii. 2m sec
- n. Why are you doing this?
  - i. What is our top 5 reasons
  - ii. What are you willing to pay to meet your reasons
  - iii. What are the competitors overlooking?
  - iv. What does the city do best?
  - v. What do customers want most?
  - vi. Citizen question – tax question on funding it across the citizens
  - vii. Fort Collins is fee based – backed by Electric utility
- o. Guiding principals
  - i. Net Neutrality
  - ii. Privacy and security
  - iii. Future proof network
  - iv. Competitive Services
- p. Deployment
  - i. All underground
  - ii. Not broadcasting where they are going
  - iii. Making Comcast work to find out where they are going
  - iv. Cobranding utility
- q. Questions
  - i. Contactors vs FTE's – how many
    - 1. Construction – Design/build/installation
    - 2. Build is mostly contractors
- r. Equipment
  - i. Nokia – Customer doesn't pay for devices
  - ii. Can provide remote support – 10\$ a month
- s. Services
  - i. Phone
  - ii. TV – 3<sup>rd</sup> party cloud hosted
  - iii. Don't make any money via video
  - iv. Money is available in phones – 60-70% in phone
  - v. Flexible for channels
- t. Question
  - i. How to deal with tech levels of customers?
    - 1. 60% have asked for video product as soon as they have it ready
    - 2. Content providers have increased costs 10-20% each year
    - 3. Content providers have 'must carries'
    - 4. Disney has about 60 channels
- u. Discussion on plan ahead –
  - i. Financial models
- v. Question about Xcel as a partner
  - i. Limited interest from them as a broadband partner
  - ii. Contract services to support this?
    - 1. Pole attachments
    - 2. Maybe if Xcel wanted to an ISP
- w. Discussion on utility groups supporting broadband expansions
  - i. Some smaller co-ops are looking at this model

- ii. Larger groups are not like Xcel are not
  - x. Question – will the city put things underground in downtown
    - i. Costly
  - y. Question – Cost per home
    - i. 20yrs – payment over the time
    - ii. % costs
    - iii. Business plan – broadband will pay to the electric the same
    - iv. 24-7 – 7 or 8 csr (Customer Service Rep)
  - z. Utility costs in fort Collins – payment from Broadband to electric
  - aa. Governance is a big decision
    - i. Rate change – public environment
    - ii. Understand the limitations
  - bb. 25yr bonds – pay off in 15
    - i. 28% take rate will cover replacement equipment
    - ii. \$59 price point met the business plan requirements over the 20yrs
- 4. Next Meeting**
- a. Review of survey results from Uptown Services
- 5. Meeting Adjourn – Victoria Runkle, Chair**