

Worksession Agenda Summary

March 10, 2020

Agenda Item Number

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Title:

Broadband Task Force Recommendation regarding City of Greeley
Broadband Service Options

Background:

In November 2017, the Greeley voters approved the Senate Bill 152 ballot measure for the City of Greeley (City) to review options regarding the provision of broadband services. As part of the initiative, a feasibility study was conducted via a broadband consultant, NeoConnect. This study, in conjunction with the Town of Windsor, provided next steps for Greeley to address best practices in broadband technologies.

From this roadmap, the following steps were taken as investment in the City's fiber backbone:

- Fiscal Year 2019 City Council approved appropriation of:
 - \$500,000 for the expansion of the fiber backbone to assure connection to all city facilities;
 - \$500,000 to fund a new conduit co-location ordinance.

In addition, the City Manager convened a citizen group entitled Broadband Task Force (Task Force) consisting of residents and representative of various business and educational sectors within the community (list of current membership attached).

The efforts of the Task Force have been supported by City staff within the Information Technology Department and a third party project management consultant – Vantage Point Solutions (Vantage) – which was secured through a Request for Proposals process. Since it started its review in May 2019, the Task Force has been presented with various information and data and engaged in discussions about its recommendations. The review has generally involved the following:

- Presentations from Colorado communities engaged in the provision of Broadband Service including Longmont, Fort Collins and Fort Morgan;
- Presentations from current and potential broadband service providers including Comcast and Allo;
- Presentation of and discussions regarding statistically valid market survey findings that inform 'what the problem that needs to be solved'. Key findings

from that survey which will be covered within the presentation include the following:

Data Point	Finding
Percent of households that use internet at home	85%
Internet Service Satisfaction Levels – compared to benchmark	Below Average: lower pricing predominant area for improvement Speed noted as important for those most likely to switch from current provider
Forecasted Take Rates	32% - Internet 14% - Voice With Gig internet at \$70
Preferred form of funding for construction of City owned system	Revenue Bonds

- Data regarding what problem would be solved through the City playing a role in the provision of broadband service (including a statistically valid survey of Greeley residents and focus groups of residents and businesses);
- Financing options and impacts if the City were to become engaged in the provision of broadband service; and
- Business models including the following:

City-Run ISP	Public-Private Partnership (P3)	Work with Current Providers	Establish a Grant Program	Maintain Status Quo
The City would finance a FTTP ¹ Network throughout the City. The City would own and operate the system. ²	The City would issue an RFP ³ to develop a P3 with a private provider. Ownership and financial contributions are TBD.	The City would work with current providers to better improve access and services. This could include new programs.	The City would set-aside funding to establish one or more grant programs to help close the digital divide.	The City would not take any new action.

Key factors used by the Task Force in evaluating these options included:

- Enhance service delivery, reliability and customer service;
- Position Greeley for the future smart city technology needs and be able to market Greeley as a “gig” city;

¹ FTTP – Fiber to the Premises

² ISP - Internet Service Provider

³ RFP – Request for Proposals

- Create competition, lower pricing and close the digital divide;
- Fit in with the Core City Services; and
- Be as low a financial risk for the City as possible.

Based on the information presented, the Task Force ranked its recommended business models for City consideration in priority order below which forms its recommendation. Task Force Chair Bret Naber will present the recommendation to the City Council as a part of the Work Session.

Model	Priority Ranking
Public Private Partnership	1 st
Work with current providers to improve service/price/accessibility	2 nd
Grant Program	3 rd
City-run ISP	4 th
Maintain Status Quo	5 th

Decision Options:

The following questions are presented for City Council discussion and direction:

1. Does City Council have any questions regarding the review undertaken by the Broadband Task Force?
2. Does City Council want staff or the Broadband Task Force to conduct further review or consideration of anything additional?
3. Based on the recommendation, does the City Council support directing staff to move forward with the development and release of a Request for Proposals to seek proposals for a Public-Private Partnership?
4. Does the City Council support shifting the Broadband Task Force to a role of advisory committee to aid in providing community insight and feedback on future recommendations around this model?

Attachments:

Broadband Task Force Membership List
 Review of Models – SWOT Analysis
 Powerpoint Presentation

Additional Reference Documents:

City of Greeley Broadband Initiative Web Page [\(Click Here\)](#)