

Broadband Implementation Committee

April 12, 2024, 1pm, Zoom

Attendees

Tom Sevigney, Craig Mansfield, Stan Conover, Stu Palmer, Laurel White, Irene Haines, Linda Ziemienieski

Entry Point Members: Nicole Banyai, Jeff Christiansen, Brad Banyai, Erik Banyai, Devin Cox

Meeting called to order at 1:02pm

March 15, 2024 Minutes approved, motion made Stan, 2nd ?

We are presently at 1296 signed up as interested.

Financing Presentation with Entry Point

Following our proposed model municipal ownership, operator and open access

Who will own the network-dependent on financing strategy if no appetite or ability to own the network, how do we finance so we don't end up in a national consolidation

Who will operate the network-outsourced

Having Open Access option with multiple service providers

There are 2 financing scenarios available-these are estimates only

Community owned versus USDA

The rates at approximately 4-4.5% for community bonded versus 7% from the USDA/private capital

The community bonded rates at 4-4.5% show costs 30 year financing term @4% interest with 60% take rate and 80% aerial deployment:

Infrastructure	\$27.50
Maintenance & Operation	\$20.50
ISP (variable by choice)	<u>\$10</u>
	\$58

USDA rates 25 year financing term at 7% with 50% take rate and 80% aerial deployment

Infrastructure	\$48.50
Maintenance & Operation	\$20.50
ISP (variable by choice)	<u>\$10</u>
	\$79

Entry Point will send us the spreadsheet they used to calculate these rates so we can play with these variables. Private equity rates would not be less than the USDA rates. Entry Point could be the owner and give the town the first right of refusal also. Not being certain what Frontier's plans are, there could be loss of sign ups if people go with Frontier teaser rates, which is why they went with the 50% take rate.

Craig feels we may have up to 90% aerial deployment. This will be finalized in the engineering studies in the future. Construction methodology will determine.

Grants

For support with the grant applications Entry Point can help us at \$250/hour

The struggle with the Infrastructure grants are that the required documentation to support East Haddam being an underserved/unserved location according to the FCC broadband map is a cumbersome and tedious process of uploading screenshots of data speeds, letters from carriers like Comcast/Frontier that state no service or delayed service or expensive service and many constituents do not hold on to this kind of documentation and then we need to acquire that documentation and manually upload it into the database for the FCC, as well as other reasons service may be compromised. This is called a challenge process. If we can prove we are underserved/unserved then we qualify for these grants. There are 30 days for us to find out what we need to dispute this FCC map, then ask for this information from those in the community, upload the information into this challenge process with documents to prove our position. We are up against Comcast/Frontier and other carriers who have supplied the FCC with information claiming service is either available or already in use. We must supply a significant number of disagreements to this database to qualify. Ironically, Tom says, CT has a map that shows East Haddam is underserved, but the FCC doesn't recognise it. This grant money is important to help lower costs of Infrastructure.

To hone in on getting costs nailed down for the community, Craig asked about RFP process for engineering. How long will it take EP to get this together for us? Jeff from EP says they have a spreadsheet for Wilbraham, MA they can share with us as an estimate to what we would use. Perhaps we use town funds to do a partial start-ie the engineering studies, then finance the rest of the project. Engineering studies can run about \$300-\$400,000. EP has 2 engineering partners with software tools to help calculate a low-level design. A software program called BRE from a conduit company. Using this software gives a 25-30% lower cost than manual engineering studies. We need more concrete numbers for the community. East Haddam is a unique land structure and

requires unique design to get this infrastructure out. And this will also give us a pretty close cost estimate. Also Jeff from EP says that the USDA funding route may disqualify us to using the poles as a municipal easement. Jeff from EP also makes a point that if only the people who signed on as interested were to own the network, as a possibility keeping risk contained to those signed up and not spread across the public, but this depends on state law.

The irony of this financing situation is also the need to help the community understand that community ownership is the same cost ultimately as what they would be paying out ultimately to a larger cooperation versus the town. The other issue is when we ask the community about how they feel about their internet, most say there are issues with connectivity, reliability, affordability, service and such. The game is rigged for the monopolies to succeed.

Jeff from EP suggests we go to the state and state catch 22. Irene stepped away from the meeting so we don't know who will go forward to the state to plead our case.

Community Outreach through the schools is ongoing. The flyer for the newspaper was sent out in March and again this past week.

In discussions with Pete Govert of the Land Trust regarding community outreach, they spent \$950 to do mass mailings to the entire community.

The Memorial Day Parade is another option, we would get a truck, use out larger lawn signs and walk along the route with handouts.

Little League opening day is another opportunity

There was a brief discussion about the quality of fiber being laid by the large corporations. XPon is 1-2 gig shared among 64 homes for example. The newer fiber is XGSPon is 10 gig to that same number of homes. The difference is that Entry Point quoted our plan using Ethernet, this allows for us to offer 1 gig symmetrical to every home and business.

Tom asked Irene how much money we have, Linda answered as Irene had to step off the meeting. In order to ask for more money we need to get on a BOF meeting agenda. The next meeting is Monday, we are too late to get on and Tuesday's meeting is geared toward the budget as a public hearing.

Next Meeting April 26, 2024, 1pm Zoom

Meeting adjourned at 2:24pm