

**TOWN OF WALPOLE
MEETING OF THE SELECTBOARD
WITH THE BROADBAND COMMITTEE
PUBLIC BENEFITS PUBLIC MEETING
JANUARY 11, 2020**

Selectboard Present: Steven Dalessio (Chair); Peggy Pschirrer; Cheryl Mayberry
Broadband Committee Present: Paul Looney (Chair); Bob Anderson; Dick Hill and Rod Bouchard

CALL TO ORDER: Mr. Dalessio called this Public Hearing to order at 10:00 AM in the Walpole Town Hall. The purpose of the meeting was to provide information and to answer questions regarding the building and funding of the infrastructure to enable Walpole residents to receive broadband internet service. Mr. Dalessio thanked the Broadband Committee for their many hours of hard work in bringing this matter forward to the voters in March. He also thanked Lucy Webber and Tara Sad for bringing this idea to the Selectboard several months ago. There were 33 members of the public in attendance.

PUBLIC MEETING – BROADBAND BOND WARRANT: Mrs. Pschirrer, the Selectboard liaison to the Broadband Committee, explained that two public meetings and a bond hearing are required. She reviewed the agenda and speakers. At the end of the meeting, there will be a question and answer session. Mrs. Pschirrer asked speakers to identify themselves and their home address for the minutes.

Broadband Committee Chair, Paul Looney, said that the plan is to bring high speed internet service to all Walpole residents. The fiber network can provide 1000 megabits per second (Mbps) for a fee. Fiber should provide more reliability since copper wires rust and have water issues. They are looking to issue a bond of 1.8 million dollars. The Committee wanted to make sure that property taxpayers understood that the payment of the bond would be done through fees from subscribers and not from tax monies. The fee is capped at \$9 per month above normal service fees.

Under the Economic Impact slide, housing marketability would be positively impacted with broadband service. Telecommuting, education, and telemedicine were also discussed.

Mr. Looney explained that organizations that provide broadband service do not have the funds for expansion. They need some help. The committee didn't feel that 5G cell service would be a solution due to the geography of the Town with hills and trees. Mr. Looney stated again that the bond would not be paid by taxpayers. The bond would be paid by users through the internet service fee.

Walpole is using the Chesterfield model with a main difference in that Walpole will own the network with Consolidated Communications Inc. (CCI) maintaining it. Mr. Looney thanked Chesterfield for all the work they did.

Bob Anderson stated he has lived in Town for 20 years and no one has tried to improve the Town's internet. It's a unique opportunity. He explained that other states have different approaches in providing broadband to rural communities. New Hampshire created a private/public partnership. There's a private partner that builds and operates the network. The Town floats the bond. There is a way to pay back the bond without taxes. And, something then can be done for those without very good internet service.

Mr. Looney explained the process. A Request for Information was sent out to area providers. The only response submitted was from CCI. A slide of a map showing served and underserved areas of the Town was displayed. An RFP was sent to 7 vendors with 3 responses. The committee reviewed the proposals

and made a recommendation to the Selectboard to negotiate with CCI. Hiring a bonding agent was recommended. The bond must be voted upon at Town Meeting. Mr. Looney encouraged attendees to attend Town Meeting and bring others to support the Broadband Bond Article. Another presentation is planned for Wednesday, February 12th at 6:30 PM.

Dick Hill said that the committee had to demonstrate that the public benefit was greater than the cost of the project. He presented study of two years of home sales in the US with a comparison of the value of homes with and without access to high speed internet. From this paper and the Request for Information, the committee was able to calculate the benefit. There were 1148 homes with no or low internet speed. If these homes had high speed internet (over 100 Mbps), it would have a 3.7% positive value on home sales. Homes currently having 25 - 50 Mbps would have 1.2% increase and those with 50-100 Mbps would have a .6% increase in selling price by moving to high speed internet. The average home value in Walpole is \$240,000. Once the percentages were applied to the number of homes, the underserved home group would potentially have over \$12 million in increased sales value.

The public benefit was found to be significantly higher than the cost of the project. Although data was only received from CCI, with no information provided by Comcast, they created an estimate of those served through cable service. Even if the number of non-served homes was 20.5%, the public benefit was \$3.8 million which was over the project cost and therefore worthwhile.

Paul Looney reviewed the Consolidate Communications (CCI) Proposal. The proposal includes bringing fiber to the home. There will be free aerial installation for the first 150 feet to the home. There will be packages which will include a streaming service. CCI would like to retire the copper wire. Fiber is more reliable. In the proposal, CCI will build the network and maintain it, but the Town will own it.

For funding per Mr. Looney, there will be a \$1.8 million bond. Again, no cost to the taxpayer and the committee believes there will be enough subscribers to pay off the bond in 20 years. A next step is to gain approval from a bonding authority and somebody to get the money. The agreement with CCI needs to be finalized with the Selectboard approving it. Two thirds “yes” vote is needed at the annual meeting to approve the bond. Mr. Looney encouraged citizens to attend the meeting. The committee needs your help.

Rob Koester, VP of Consumer Products of CCI, introduced himself and Mike Cannon, Sr. Director of Operations. Mr. Koester explained that rural broadband is what CCI does. They have service areas in 23 states. To project into the future, assuming a positive vote at Town Meeting, the first thing they would do is build a new network. Currently there is some existing fiberoptic cable. They would build an overlay to serve individual end-users. There are 3 primary central offices with one being adjacent to the Common. There are splitter cabinets out in the field that are about the size of a dorm frig. New fiber equipment would be installed into existing splitter cabinets. Equipment will be installed on the side of house. Examples are available to view. Fiber “future proofs” service by allowing for higher internet speeds into future. Fiber is glass and it requires power to shoot light through it. Power will be required to run the service with two options to connect. If powers go out, the service will also cut out unless one purchases a battery back-up or connects to plug with generator supply.

The implementation map was displayed. Of the \$1.8 million bond, 80% is to pay for over 90 miles of backbone fiber network. Once the bond is approved, CCI starts assembling materials. Once the funding is secured, multiple crews will work throughout the Town to install fiber. Mr. Koester reviewed the Chesterfield timeline. Once bond funding is approved, he estimated it would be 4-5 months for the first connections to become live. Users will become live incrementally; not all at one time.

A special website will be created for Walpole customers. Six to 8 weeks in advance of the 1st customer turn on, customers will be able to sign up for service. It allows for more efficiency and quicker implementation. Appointments for installing service will be made by CCI.

The policy in regards to installation is that there is no fee; all installation fees are waived. If you currently have service, there will be no charge. Those with buried conduit, if it can be pulled through with the existing copper line, there should be no charge.

Sample pricing for an average consumer was displayed with 3 different speeds. The fiber recovery fee will be \$9 for those purchasing broadband. Bundle discounts do exist. The guarantee to Walpole is that the service fees will match what is offered throughout the state. Customers will be able to terminate and move to a new package without any penalty fees. Customers that remain on copper wire will be eventually encouraged to move to fiber service. Generally, most customers will be able to move up in speed and pay the same amount of money.

Marilyn Wilking of Stevens Lane asked what the cost would be for 1 gigabit (or 1000 Mbps) service. Mr. Koester explained that it was not on the slide, but he estimated the cost to be just under \$100 per month.

Susan Jasse of Wentworth Road asked to view the map. Mr. Looney and Mr. Koester assured Mrs. Jasse that she would be able to get broadband service, assuming the vote passes.

Mike Stockwell of County Road asked if private contractors would be doing the work. Mr. Koester said they mainly use their own crews. They may supplement with contracted crews but CCI would be responsible for any issues. Mr. Looney restated the Town will own the network with CCI handling installation and maintenance.

Debbie Hutchings of Blackjack Crossing said her service runs underground but was unsure if conduit was used. Mr. Koester told Mrs. Hutchings to speak with Mr. Cannon after the meeting for more information.

Bob Grenier of North River Road asked what the advantage was to the Town to own the network. Mr. Koester said for the first 20 years, the Town must own the network. An agreement will be with the Town for maintaining the network. After the 20 years passes, the Town can change how the system is maintained. Mr. Looney said that since CCI will not own the network, it will not show as a liability on their books. It also allows for more options for funding through non-taxable bonds.

Steve Lazok of Taggard Road asked about retrofitting a house that has copper telephone line. Would there be recommended contractor for running line through one's home? Mr. Koester said that a wireless device will be installed which would not require cat 5 wire. A large home might need a booster or extender. CCI does offer internal wiring services for those who want hardwiring.

Cheryl Mayberry of 9 Spruce Street asked about the purple on the backbone network map. Mr. Koester replied that the purple area would be serviced through the Walpole center office. The yellow and blue lines donated different centers. Every center will be able to offer 1 gigabit of service in Walpole.

Joey Andros of Old North Main Street has recently renewed service with her cable company for a bundled service. If she changed service, there would be penalty fees. Mr. Koester said as a rule, CCI service fees will be \$30 to \$40 less than cable. Ms. Andros asked if they offer TV service. Mr. Koester stated that CCI recently added a streaming (TV) service. Ms. Andros can sign up anytime with CCI when she wishes to.

Lucy Webber reiterated that those not using the CCI service will not be paying the broadband fee. She asked about the maintenance difference between copper and fiber. Mr. Koester stated that copper is metal and susceptible to weather i.e. snow, rain and mechanical disturbers on the line. Fiber is faster and more reliable. Fiber is either on or off. They have advanced troubleshooting tools. Paul Looney commented that going forward, one will now have two choices for internet providers which will be beneficial regarding quality of service.

Michael Martin of Blackjack Crossing asked about 1 gigabit of service and that finding consumer products to support that service are hard to locate. Could CCI provide that equipment? Mr. Koester said that CCI cannot. They can provide a device that will offer 175 to 200 megabits of speed. The rule value of 1 gigabit service is that it is used by those with 50+ devices or for those with large file transfers. Mr. Martin asked if there could be a contract buyout. Mr. Koester said that CCI wants people to be on broadband and they do offer buyouts.

Bill Gallagher of Kiniry Street asked if it will be an annual maintenance contract and who pays for it. Mr. Koester explained that CCI will be paying for any upgrades and repairs. There is no cost to the Town. Mr. Gallagher asked if the \$9 would change. Mr. Koester said that the fee will never exceed \$9. The fee should go down over the life of the bond.

Tracy Miller rents a home on Barnett Hill Road and pays for her own utilities. She wondered how this project will affect renters. Mr. Koester said that if permission is given by the landlord, the service can be installed.

Steve Dalessio of Alstead Center Road asked what happens in the 21st year. The Town will have ownership of the network per Mr. Koester. It will have the ability to do whatever it wants with the network. Mr. Dalessio wondered if there would be a broadband fee at that time. Mr. Koester did not know since this is uncharted territory.

Bas Den Hond of Old Cheshire Turnpike asked what the maximum speed was for the network as upgrades occur. Mr. Koester responded that eventually speeds above 1 gigabit may become available. He stated that the system will be able to handle it.

Stan Hutchings of Blackjack Crossing wondered how much of the network's backbone is dark and not at capacity. Mr. Koester said it was a tough question since fiber has no limit. It's going to depend on how many customers are on the network. There's no shared service; it's a one to one relationship.

Bill Therrien of Stevens Lane missed the amount of money the Town is signing up for. What is the value of the bond value for the project? Mrs. Pschirrer said that the bond value is \$1,856,100. There is a separate bond hearing on Feb. 13th at 4 PM at the Town Hall. There will not be a sit-down meeting regarding the broadband fee for the first 2-3 years. Mr. Looney said the contract makes CCI responsible to the bond payment even if there are not enough subscribers to cover the cost.

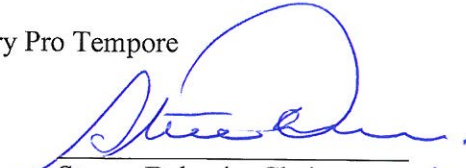
Mrs. Pschirrer introduced the members of the Broadband Committee and thanked them for their service.

Cheryl Mayberry asked for more information on the backbone network map regarding the yellow/gold area. Mr. Koester said that service will be from Bellows Falls, VT.

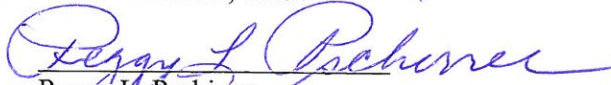
Mrs. Pschirrer thanked everyone for attending. The next informational meeting will be on Feb. 12th at 6:30 PM. The Broadband Bond Hearing will be on Feb. 13th at 4:00 PM.

Mr. Dalessio closed this Public Meeting at 11:22 AM.

Respectfully submitted,
Sarah Downing, Recording Secretary Pro Tempore



Steven Dalessio, Chair



Peggy L. Pschirrer

Cheryl Mayberry

(Note: These are unapproved Minutes. Corrections will be found in the Minutes of the February 6, 2020, Selectboard meeting.)