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Town of Mt. Desert
Broadband Committee Meeting Minutes
April 14, 2022 @ 4:00 pm via Zoom

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Members Present: Frank Baltzell, Pete Cuffari, Scott McFarland, Kathy Miller, Wendell Oppewall, Durlin Lunt (ex officio),

Guests Present: Brian Lippold (Casco Bay Advisors), consultant

1. **Approval of Minutes**

The minutes from the March meeting were moved for approval, seconded, and unanimously VOTED for approval.

2. **Update re: Casco Bay data collection and Report Summary**

Brian Lippold provided an overview of his report to the Town on the status of broadband utilities as they currently exist in Mount Desert. There was a focus on the Consolidated Communications, Inc. (CCI) fiber infrastructure along significant portions of Routes 102 and 198. It has been deployed to interconnect their central offices, remote terminals, cell towers, institutional locations, and large businesses. It was not designed to serve residential/consumer services, but it could be leveraged for CCI to deploy a fiber-to-the-home (FTTH) overbuild of the community. As is, the fiber has a low count, is 40+ years old and not well suited for current technology. Also, CCI has announced plans for a Bar Harbor buildout, but not Mount Desert. When asked if he believed they would entertain a partnership, Mr. Lippold said he would be surprised – there is sufficient density, but it may be too seasonal.

Wendell noted that some properties on Long Pond indicated on the Report maps to have no services, may actually now be served.

Mr. Lippold noted that 96% of the Town is covered with Spectrum's hybrid CATV, but that 100% of it is considered "underserved" with speeds lower than 100/100 Mbps. He also said Spectrum just announced a new plan for free service to qualifying households. He recommended we have Spectrum examine gap areas in Town since they must meet State Statue for coverage. The current Spectrum network is all a hybrid system, and not enough for full FTTH purposes. When asked about Spectrum upgrading to symmetrical service, he said CATV can't do it, but a hybrid system can be upgraded with new equipment, and they may eventually do that. It would be expensive since it touches every component on poles, splitters, etc.

Regarding costs, he suggested each pole would have a make-ready cost of $400. With 2,927 poles to consider, the overall cost would be $1,170,840. He noted that if the Town owned the system, it wouldn't have to pay the make-ready fees – but that approach has not yet been tested in Maine. He noted this report and cost estimates have a shelf-life. Construction costs/mile have recently increased 20%, reflecting hiring costs, etc. The Town would have a 40% market share if we do our own, which was anticipated and included in his costs proposal. He said ConnectMaine will support funding through underserved areas to access unserved areas. The Town may qualify to have ConnectMaine fund approximately 50% of construction. He said

talking to CCI and negotiating a buildout could eliminate the make-ready costs. The data in this report should be used in any grant applications we submit.

When asked if the Town were to build its own network, how would we hook into the internet, he replied that usually a Town contracts with a firm like GWI to manage as an ISP, and that it could operate sustainably. To define a successful system, he said it would be open access to multiple ISPs, and that there would be at least three ISPs to provide competition and consumer choice.

There was a brief discussion about the nature and evolution of technology, moving from cable access to streaming services, speaking to the value of fiber vs cable. Mr. Lippold noted that, as part of the review of the BH municipal buildout, several businesses had looked at MDI 6-9 months ago to consider a full fiber buildout – but all had moved on. Spectrum and CCI would make the most sense to continue talking to, negotiating with, once we determine what we really want to do. Do we really want universal FTTH? Do we want to own our own asset, or provide subsidies to have incumbents build it out? Before any RFP can be developed for a buildout proposal, we need to have our decisions made and community support behind.

When asked about an estimate of any subsidy, he suggested using CCI as an example, guess a $4 million cost, if we gave $1 million, he said they would likely do it. He noted that provider plans keep evolving with so much money available through multiple channels. CCI or the Town could write the grant application. Brian Lippold also writes grant applications and did one for Swan's Island. They are waiting for a response, anticipated April 27. [**Note**: *ConnectME Authority made their recommendations on grant awards 4/27/22. Swan's Island was noted as not winning a grant, rather in the group of Other Applications (Results include elements of incompleteness or ineligibility) See document page 28: https://www.maine.gov/connectme/sites/maine.gov.connectme/files/inline-files/binder_0427_final.pdf*]

There was a conversation about limitations of providing a subsidy, rather than owning the asset. If a town provides a subsidy they have no control over the rates the ISP charges, but there may be more flexibility with smaller ISPs like Maine-based Axiom or GWI. As an alternative, Islesboro owns their network, subsidizes the operations and pays off the system. They offer 1 Gig symmetrical FTTH for $30/month. They have operators do the full service and maintenance.

Mr. Lippold recommends hiring a consultant to deal with negotiations with the various ISPs, reaching out to everyone for a discussion. He believes that we would be likely to find 1-2 interested in exploring options. ISPs will all have their own model. We should create our own budget plan-proforma. His firm/he does that work, and it would cost less than $3,000 for him to share the report with all the providers.

3. **Discussion of Next Steps**
   - The two major questions to ask:
     - Do we want to own a network?

- o   Do we have enough community support?
- We should reach out to the town of Islesboro for their insights. Roger Heinen is the committee chair.
- Brian Lippold will provide a proposal to do the next phase of conversations, including an option for creating a proforma. May 16 is the next BOS meeting to approve any funding requests, and we would need to get info for the agenda by May 11. [**Note**: *Durlin said after the meeting that the committee currently does not have funds available, so will need to wait until the start of the new fiscal year, July 1, before more expenditures*]
- Town Meeting will be May 3. Several agreed to meet before then to determine what – if any – info to have available at that event.

4. Other Business
None

5. Future Meetings
The next committee meeting will be Thursday, May 12 @ 4 pm via Zoom.

The meeting adjourned.

Respectfully submitted,

Kathleen W. Miller
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