

## **BROADBAND UPDATE FALL 2016**

### **SLIDE 1**

Thanks so much for coming out tonight and for your continued support of Shutesbury's broadband project. We're calling tonight's update Cider, donuts and broadband – the donuts have been donated by our friends at Glazed donuts and the night is also sponsored by Jones' Realty so please help yourself.

### **SLIDE 2 – Project Update**

The format of tonight's meeting is that I'll give a very brief project overview and share our timeline to date, outline the current project status and go over our list of knowns and unknowns and there will be time for questions at the end. We've catered this presentation to people who already have a background about the issues so if you're new to town and know nothing about the project please feel free to grab one of the members of the broadband committee afterwards if you need more information.

### **SLIDE 3 – When and how much?**

I'm assuming everyone here is anxious to get answers to most pressing questions of how long and how much it will cost so in short the answer is:

- MBI's best estimate is 2018 and we hope this is true!
- Cost to build the same (~\$1.7 million)
- Cost to subscribe: LIKELY around \$75 - same as Leverett

You may be tempted to leave right now, but I encourage you to stay and get the information and reasons for these answers. The entire town doesn't come to these presentations so we need those of you who are here to be our broadband ambassadors and be able to answer questions when your neighbors ask what you know about the project.

### **SLIDE 4 – Middle mile**

The Massachusetts state legislature recognized the rural broadband crisis early on and on took advantage of a federal economic stimulus grant in 2009 to create the main artery broadband network to connect libraries, schools, hospitals and town buildings in underserved area. This "middle mile" project was completed in 2014.

In that same year, 2014, the state legislature authorized \$50 million to expand the "middle mile" network to service homes and businesses. Their plan was to provide 1/3 of the build costs in underserved towns and have towns themselves cover the rest of the "last mile" project to connect the middle mile to homes.

## **SLIDE 5 – WiredWest**

Before this period communities throughout Western Massachusetts had already banded together to form WiredWest as a cooperative to build and operate a fiber optic network. A cooperative network would make broadband more possible because it would collectively own and operate a regional network instead of each town being solely responsible for administering and managing its infrastructure.

## **SLIDE 6 - Voting**

Many of you saw our presentation at the 2015 annual town meeting and voted in a landslide to support the WiredWest plan and raise a tax bond to supply 2/3 of the build costs for broadband. This was repeated by towns throughout the state and by the end of 2015, 24 towns, all part of WiredWest, passed their borrowing authorization totaling \$38 million to fund their share of the build.

But what happened since?

## **SLIDE 7 - MBI**

The Massachusetts Broadband Institute, otherwise known as MBI, is a government agency. They are in charge of using the \$50 million in state grant money to complete the last mile build and connect our homes. MBI is a section of the Massachusetts Technology Collaborative which is the state's development agency to grow the economy and it is all overseen by the governor, Charlie Baker.

## **SLIDE 8 – What happened?**

Throughout 2014 and 2015 WiredWest was working with MBI on a regional solution. In late 2015 the state clarified its broadband policy and insisted that municipalities own their own networks so the cooperative ownership proposed by WiredWest was invalidated. This was followed by the MBI director resigning, changes in leadership, and a three month “pause” while the governor reviewed the entire Last Mile project plan. You may remember the state-wide petition we started this past spring to get the “pause” lifted more state policy revisions occurred this fall where state wants to support private companies to come in and own the infrastructure and supply the service. So this contradicts their original insistence that towns own the networks they build. They do endorse private companies owning it instead.

## **SLIDE 9 – Where are we now?**

So, where are we now.

MBI is supporting towns that want to own their own networks to move ahead

For towns that can't or don't want to build their own they are trying to get private companies interested to come into towns and build, but we're not holding our breath. We're in this situation BECAUSE private companies won't invest in the infrastructure in rural areas They have said they will not stand in the way of regional operations Shutesbury has been assigned a project manager – who is great. Pole surveys have started for ready towns and we expect the one for Shutesbury to start by December

### **SLIDE 10- What are we doing?**

And what are we doing?

The broadband committee, town employees and additional volunteers in Shutesbury have logged over~ 2,000 hours of work on our community broadband project over each of the last two years. We'll continue our pace of work and see this through.

We're taking all the steps we can and are pleased that state is spending its first dollars on paying for pole surveys to inform the network design.

We've done a town ride around with the project manager for pre-engineering, chose a location for our towns service hut, and we're getting ready to work with the Selectboard to sign attachment agreements with the utility companies to get fiber up on their poles. In other words we're doing everything we can to move this along from our end.

We just started hosting cluster meetings of the ready towns – our neighbors Wendell and New Salem along with Ashfield and Rowe are thankfully at the same stage we are and are ready to go. We still support a regional cooperative solution for its efficiencies and low subscriber costs and long term management benefits and are working to make that happen. – we have time. Another thing we are doing with cluster towns is mobilizing political action. As you can imagine we are none too happy about all the delays and the uncertainty in state policy. So, we are working with our neighboring ready towns to give collective feedback to the state about what's not working here – namely, at times they have handed down policies that aren't serving us.

And our other important job is keeping you informed. We'll keep having meetings like this and we just overhauled our entire website with all the latest updates – that's the best place to go if you have questions.

### **SLIDE 11 – what's the plan**

So our plan is to work with MBI to get our network built as soon as possible.

We will own it outright.

First we will build it and then will decide how to operate it depending on the option available at the time; a regional plan, which our top choice. If a cooperative option is not in the best

interest for Shutesbury, we will operate our own network, like Leverett. Keep in mind that no matter what we are beholden to the build schedule of the state so these operations questions – about doing an independent Leverett plan or WiredWest are not holding anything up in the meantime.

We are open to vetting other plans if they make sense and are in the best interest of Shutesbury.

## Questions:

### **When will we actually get broadband?**

Current estimate is 2018.

### **So one question you may be asking is why can't we forget the state and all of its bureaucracy and just move forward?**

In order to move forward immediately on our own timetable without the MBI, we would need to appropriate the full amount of build costs to start the project – which is the 1.7 Million we already voted to pay for plus around another \$870,000. \$510,000 of that is build money which we could still get but that would leave a \$360K shortfall for design and engineering work that the town would have to pay for. Remember, the good news is that things are happening. The upcoming pole surveys are the first tangible step towards the build.

### **Could the state aid money be taken away?**

It could, but it is unlikely. Underserved towns throughout the region, both working independently and as a part of WiredWest, have been doing advocacy work to make sure that the Governor and our state legislature are aware of the critical need for broadband service in western Massachusetts. Believe me they get it. The Governor has been clear that he understands the importance of the issue and the money we have been allocated will not be taken away – his lieutenants have reiterated this to us and the other ready towns.

### **Should I get my WiredWest Deposit back?**

We're asking people to hold off on asking for your deposit back. We are still an active member of WiredWest and we're working hard to get a regional operations plan with WiredWest to happen. All of your deposit money is held safely in escrow and cannot be spent. If WiredWest doesn't happen or we find that an independent operations model is more beneficial to Shutesbury, we will send out town-wide announcements with directions on how to get your deposit back.