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MEMORANDUM

Date: December 10, 2015

To: Mayor and City Councilmembers

From: SeonAh Kendall, Economic Policy and Project Manager *SK*

Through: Darin Atteberry, City Manager *DA*
Mike Beckstead, Chief Financial Officer *MB for MB*

Re: December 8, 2015 Work Session Summary – Broadband Strategic Plan

COUNCILMEMBERS PRESENT:

Mayor Wade Troxell, Gino Campana, Bob Overbeck, Ross Cunniff, Kristen Stephens and Ray Martinez (remote)

STAFF PRESENT:

Mike Beckstead, SeonAh Kendall, Ginny Sawyer

Staff provided the following review:

- Learnings from the Broadband Case Studies & Benchmarking Analysis and the Market Analysis.
- Review of Moody's article, "Municipal Broadband Systems Expose Local Governments to Enterprise Risk," which identified challenges for municipal broadband systems and key characteristics to a strong enterprise for those that pursue municipal broadband.
- Timeline for deliverables in 2016, including work session topics.
- Rational for the staff recommendation to narrow focus to open-access and retail (residential and business) business models.

DISCUSSION SUMMARY:

- Comments in regard to general citizen support at listening sessions and general interactions with City Council.
- General support in regard to the direction of the Broadband Strategic Plan as presented by staff.
- Confirmation that further analysis will be on retail services and open access business models, with a public private partnership ("P3") delivery or city-only delivery.

- Discussion around managing expectations and outreach for costs (initial and ongoing) and revenue.
- Request that staff continue to monitor P3s and the challenges that might come from this delivery strategy.
- Discussion and direction about the Expert Review Panel.
 - Staff is directed to do due diligence and identify 3 – 4 independent, industry experts that are autonomous from the team and consultants
- Suggestion of reviewing the proposed timeline to understand:
 - Timing of expert review panel
 - Charter change
 - Cost/benefit analysis

NEXT STEPS FOR STAFF:

- Formation of the Citizen Ad-Hoc Committee.
- Development of the Expert Review Panel.
- Continue public involvement through multiple channels of communication.
- Engage with consultant on Asset Report, Broadband Service Market Demand Report (includes surveys) and Target Broadband Standards Report.
- Update City Council on April 26, 2016.