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MEMORANDUM

Date: July 14, 2017

To: Mayor and City Councilmembers

From: Ginny Sawyer, Project and Policy Manager *gls*

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

Re: July 11, 2017 Work Session Summary – Broadband Strategic Plan

COUNCILMEMBERS PRESENT:

Mayor Wade Troxell, Gerry Horak, Ross Cunniff, Kristen Stephens, Ray Martinez, Ken Summers, Bob Overbeck (remote)

STAFF PRESENT:

Mike Beckstead, Jeff Mihelich, Andrés Gavaldón, SeonAh Kendall

Staff provided the following:

- RFP Status Update.
- Update of implementation planning including securing consulting resources and review of work scope.
- Review of High-Level Business Plan which identified assumption changes and overall impact to financial model.
- Introduction of a fee or tax risk mitigation option.
- Review of project timeline and upcoming milestones.
- Ballot language and question development work to date.

DISCUSSION SUMMARY:

- General lack of support for City-wide fee or tax to reduce risk of retail model.
- Ballot options discussed and positive comments in regards to keeping both possibilities of 3rd Party and retail model open.
- RFP inquiry regarding submissions and general request for prompt evaluation and update back to Council.
- Comments about philosophy of municipality entering market based competition with private entities and similarity to golf courses noted.
- Desire expressed for understanding of process workflow and timing of milestones.

- Worst case scenario and implications discussed. Direction for clear communication of impacts to be included in business case.
- Take rate discussed regarding impact of change in assumptions from original 38.8% to current 28.2%. Further clarification desired to be included in business case.
- Inquiry as to privacy policy and confirmation of issue to be addressed in retail model.

NEXT STEPS FOR STAFF:

- Ballot language and messaging refinement.
- Finalize high-level business plan.
- Proceed with RFP evaluation and review.
- Develop timeline with decision points that highlights intersection of 3rd Party RFP process and Retail Model.
- Update City Council Aug 8, 2017.