

GRAND JUNCTION CITY COUNCIL WORKSHOP SUMMARY February 13, 2017 – Noticed Agenda Attached

Meeting Convened: 5:32 p.m. in the City Hall Auditorium

Meeting Adjourned: 8:47 p.m.

City Council Members present: All Councilmembers

Staff present: Caton, Shaver, Valentine, Hockins, Finlayson, and Tuin

Also: Vara Kusal (HDABID), Richard Swingle, Allison Blevins (DGJBID), Tim Pollard, Donnie Alexander, Abe Chavez (CenturyLink), Dave Rodrian (Charter), Jesse Daniels, Amy Hamilton (Daily Sentinel), and representatives from the other incumbent providers.

Agenda Topic 1. Presentations by Incumbent Providers

Council President Norris called the meeting to order and thanked everyone for coming.

a. Charter Spectrum – Dave Rodrian, VP Internet Product, Denver, CO

- Second largest ISP in the Nation
- 25 million customer relations
- Grand Junction is the largest market in Colorado, 2, 500 employees in the State
- Provided the current offerings
- Explained the increased speed that will happen over time, connections and technology changes over time
- Spectrum Internet Assist – low cost, high speed offering to low income homes available in Grand Junction
- Bulk-Multi-dwelling offering
- Out of Home WiFi – Spectrum WiFi for outside access points
- Commercial services offering of 10 gig
- Service better today than in 2015, continue to invest in customer offerings
- Mary Roehr, Director of Governmental Affairs, stated they are leading the way by investing in the valley, they are proud of their service

b. CenturyLink – Abel Chavez, Government Affairs Director

- Appreciated the opportunity of working with City Staff
- Much different company today
- Build a business case in the downtown area
- Last fall began filling in the gaps with multi-tenant buildings
- Pointed out that Google is out of the market
- Providing broadband is very complex and very high risk
- Demand for gigabit speed is overestimated
- Referred to a chart that showed the uses and speeds needed
- 50% of broadband is being used by Netflix and YouTube users
- They believe the “sweet spot” is 40 Mbps for residential users and 100 Mbps in small businesses
- Providing a range of speeds when developing infrastructure
- Fiber vs. copper - Vectoring and G dot fast technology

- Mobile society – less than 25% use wire lines
 - No need for the City to build network, private public partnerships, CenturyLink stands ready
 - Message today Grand Junction is a Gig City – marketing strategy
- c. Provelocity – John Mabran, IT**
- His company gets called when citizens are having IT issues
 - He contrasted the City proposal is to every house whereas the provider model builds to demand
 - Average cost to a house is \$3,000-\$5,000
 - Netflix is the biggest broadband use
 - Big risk, could lead to property liens
 - He suggested a campaign to “buy” a gigabit for a business that wants to move to Grand Junction, cheaper than the proposal
 - Competition (tend to have a negative dynamic in this community)
 - Smart City Technology is the future, put in multiple conduits when possible
- d. Forethought – Erik Hager, VP Business Development**
- Early partner with SiFi/Nokia proposal
 - His company exploits underserved markets, is an independent ISP
 - Grand Junction is a hub but also the biggest obstacle is the last mile; copper is old in Grand Junction and is long
 - Netflix has a node in Denver
 - History of the private public partnerships (PPP) – telecom and cable television
 - Lessons learned over the last 15 years – Business Model failed – underestimated costs, poor assumptions and the take rate too aggressive
 - Successes – Chattanooga, Utopia, Rio Blanco – the bonds are being paid
 - Provided four examples in Colorado – Rio Blanco, Glenwood Springs, Longmont, and Cortez, provided the status of each of these
 - Signed on as a partner with the first RFP with SiFi/Nokia – he has confidence in them – his feasibility study matched theirs
 - Believes the system can support 2 or 3 ISPs in the future
- e. Emery Telecom – Jared Anderson, Chief Operating Officer**
- They are a non-profit cooperative; located in southeastern Utah
 - Started working with CDOT in 2014 in the Grand Junction area, some terms put forward by CDOT not acceptable
 - His ask of the City is any help the City can give in working with CDOT
 - He has 23 miles left to build and will take about 3 weeks to build
 - Timing is critical due to wildlife (i.e. eagle nesting period) along the route
 - Deliver business fiber services like in Moab is what he would do in Grand Junction
 - He feels competition fosters success
 - Only offering is to businesses; explained why residential is so expensive
- f. 32 Waves – Colt Levitt**
- Startup in Grand Junction, 6-7 months old, approximately 187 customers, backbone fiber can switch between providers
 - Municipal fiber will allow competition; fiber is the way to go; 5G will require a network overhaul and technology is not ready
 - FCC is looking to topple net neutrality – fiber assets should be considered; fiber supports wireless

After a general discussion among Council, staff was directed to schedule a discussion at another Workshop, possibly February 27th. There is a commitment to have Milestone Two on the March 1, 2017 City Council Agenda. The contract was extended until March 2, 2017. It was suggested that Council be provided an independent analysis, best practices, and a summary of the "Guide to Community Leaders" publication.

With no further business the meeting was adjourned.

**GRAND JUNCTION CITY COUNCIL
MONDAY, FEBRUARY 13, 2017**

**PRE-MEETING (DINNER) 5:00 P.M. ADMINISTRATION CONFERENCE ROOM
WORKSHOP, 5:30 P.M.
CITY HALL AUDITORIUM
250 N. 5TH STREET**

To become the most livable community west of the Rockies by 2025

1. Presentations by Incumbent Providers (15 minutes each)

- a. Charter Spectrum
- b. CenturyLink
- c. Provelocity
- d. Forethought
- e. Emery Telecom
- f. 32 Waves

2. Next Workshop Topics

3. Other Business