

GRAND JUNCTION CITY COUNCIL WORKSHOP SUMMARY
February 27, 2017 – Noticed Agenda Attached

Meeting Convened: 5:30 p.m. in the City Hall Auditorium

Meeting Adjourned: 8:21 p.m.

City Council Members present: All Councilmembers

Staff present: Caton, Shaver, Valentine, Finlayson, Brinkman, Dackonish, Lanning, Schoeber, Rainguet, and Tuin

Also: Richard Swingle, Kristi Pollard (GJEP), Tim Pollard, Donnie Alexander, Scott Winans, (COPMOBA) Rich Sales, (Palisade Town Manager) Amy Hamilton (Daily Sentinel), Dennis Simpson, Keith Ehlers, Janie VanWinkle, Dean VanWinkle, Howard VanWinkle, Roger Timmerman, (Utopia Director) Coleman King (Chattanooga Fiber System Representative), Erling Freyr Gudmundsson, (Iceland Broadband CEO), Mike Harris, (SiFi/Nokia) and other representatives.

Agenda Topic 1. Update on the Palisade Plunge

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

Rob Schoeber, Parks and Recreation Director, provided an update from a workshop about a month prior regarding questions that came from that meeting on this topic.

Richard Sales, Town Manager, Palisade, reviewed the planning processes thus far for design and engineering. The Palisade Town Board has expressed the desire for the Plunge to come into Palisade, but the North River Road has to be widened. In total they have about \$500,000 budgeted including grants. If they can get through the planning stage, they need to have a concept paper done by April to apply for the GOCO grants in 2018.

Scott Winans, COPMOBA, provided a brief overview of the preferred route, starting at Highway 65 and showed an updated route with the issues addressed that were brought up by the City Council regarding City property. Janie VanWinkle, lessee, spoke regarding the meetings they had to work through the issues. There are two issues – signage and trespassing. She said any trespassing off the trail will be prosecuted. Ms. VanWinkle said their hope now is to not be back in a couple of years revisiting all of these issues again. They want a Memorandum of Understanding (MOU) in place with help from the City of Grand Junction and Town of Palisade writing it, which will outline most of the items discussed, and the issues that were raised at the first meeting.

It was agreed to start drafting the agreements, move to the public outreach stage, and establish the MOU. Council's consensus was to move forward.

Agenda Topic 2. Discuss Moving Forward to Milestone Two of the Exclusive Negotiation Agreement

City Manager Caton reviewed the history of the project up to February. The purpose of this discussion is to share what all Council is thinking and what they have learned. Points brought up were:

- Time to take a step back
- Visit again with the Incumbents

- Have Council's goals changed?
- Is ubiquitous service still a goal?
- Is City-ownership (public/private ownership) with urban pricing still a goal?
- What is the demand for Gig service/and what was promised to the citizens?
- Take rates and price points/can Grand Junction get there?
- City is responsible to make the payments of the COP's
- Is there a more cost effective way to bring this to citizens?
- Some local vendors not known to Council
- Fiber has to be built no matter what, wireless technology still needs fiber
- Is fiber a marketing platform for economic development?
- Grand Junction is far behind right now in delivering high speed internet
- Does the model make sense?
- Can Grand Junction have a third party to look at the proposal? There is a State representative willing to look at it

Since there were representatives from other fiber communities they were asked to tell their stories.

Roger Timmerman, Utopia (a collaborative fiber system in Utah) Executive Director, stated they believe in the benefits of municipal fiber. He reviewed their project which he believes is a success:

- 11 City consortium
- First bond was in 2004, built in 2009
- Old information is still out there about their initial struggles
- Since 2009 there has been three bonds
- All payments covered on the bonds since 2009
- A good partnership with Nokia
- Municipal networks can be sustainable
- Across the system the take rate is 32% - the competition has been good for all

Coleman King, Chattanooga, TN, project manager since the beginning; reviewed their project, also a success:

- He helps other cities figure out good models and finds a models that will line up with the city's goals
- Their project began with a goal to modernize their electric system – used fiber for communication
- Valued the system 3 different ways
- Borrowed \$220 million, \$111 million came from Department of Energy to upgrade their smart grid system
- Business plan was built on having 42,000 customers, they currently have 90,000
- They met all of the goals on the smart grid
- New businesses are moving into town
- Incumbents want to talk, but not much will happen until competition actually starts being built

Mike Harris, SiFi, then introduced Erling Freyr Gudmonsson, CEO with Reykjavik Fibre Network, from Iceland

- Their plan is very similar to what SiFi/Nokia is offering in Grand Junction
- They are working with SiFi in Iceland/Denmark
- They got a \$50 million loan and are investing \$20 million annually
- The network started with three ISP's, currently they have 7 ISP's. (4 did not exist until this project was started)
- Landscape in Iceland is very rough
- The key is the installation to the homes
- Every connection is speed tested and documented
- It's hard to predict the need, but aim high
- He contrasted the different models
- He recommended not limiting the ISP's as long as they are acceptable with Key Bank

The decision on whether to go on to Milestone Two is on the March 1st City Council agenda.

Other Business.

City Manager Caton said there were two additional topics:

- Tour of the Moon National Byway discussion - Councilmember McArthur presented this request from Representative Willett to support a resolution designating the road to the Monument entrance as the Tour of the Moon National Byway. He was asking for a letter of support from the City Council. There was consensus for a support letter supporting the resolution.
- Support for a multimodal discussion, meaning more State Highway Funding for an NGO (Non-Governmental Organization). Since much of the impact to Western Slope funding is unknown, the Council declined to send a letter of support.

With no further business the meeting was adjourned.



**GRAND JUNCTION CITY COUNCIL
MONDAY, FEBRUARY 27, 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. Discussion Topics

- a. Update on the Palisade Plunge
- b. Discuss Moving Forward to Milestone Two of the Exclusive Negotiation Agreement with SiFi/Nokia

2. Next Workshop Topics

3. Other Business