



OFFICE OF SELECTMEN
Post Office Box 487
Marlborough, New Hampshire 03455-0487

Telephone (603) 876-3751

Fax (603) 876-3313

E-mail: selectmen@marlboroughnh.org Website: www.marlboroughnh.org

SELECTMEN'S MEETING MINUTES
BROADBAND PUBLIC BENEFIT HEARING #2
March 3, 2021

Ms. Pitt stated, as Chairman of the Marlborough Board of Selectmen, I find that due to the State of Emergency declared by the Governor as a result of the COVID-19 pandemic and in accordance with the Governor's Emergency Order #12 Pursuant to Executive Order 2020-04, this public body is authorized to meet electronically.

Chairman Pitt opened the public benefit hearing at 7:02 pm. Let's start the meeting by taking a roll call attendance. When each member states their presence, please also state whether there is anyone in the room with you during the meeting, which is required under the Right-to-Know law.

Roll call attendance:

Chairman Pitt	Yes – Present on Zoom	No one else in the room
Selectman Paight	Yes – Present on Zoom	No one else in the room
Selectman Nelson	Yes – Present on Zoom	No one else in the room

Also present in the Zoom public benefit hearing was Ellen Smith, Town Administrator; Jeff McIver, Bob Hanscom, Mike Cannon and Tripp Legendre of Consolidated Communications, members of the broadband advisory committee and members of the public.

Chairman Pitt stated that in accordance with NH RSA 32:5 I, notice of this public hearing was published on February 8th in the Keene Sentinel and posted at the Town Office and Post Office as well as contained in a mailer that was delivered through the US Postal Service Every Door Direct Mail. This hearing also is being held in compliance with and pursuant to NH RSA 33: 3 which requires at least 2 public hearings prior to Town Meeting at which the public benefits of a public/private partnership for Broadband development have been presented to the public and have been found by the Selectmen to outweigh any benefit accruing to a private party.

Chairman Pitt then read the names of the Broadband Advisory Committee: Jeff Miller, Cody Lee, Sue Jenkins, Rich Jenkins and Bob Hill. She thanked the members of this committee for the months of work they did to get us where we are tonight. She noted that also present with us tonight are representatives of Consolidated Communications: Jeff McIver, Manager of Consumer Product Management: Mike Cannon, Construction Manager: Tripp Legendre, Product and Pricing Representative and Bob Hanscom, Consumer Product Dept.

Chairman Pitt said she would be following the flyer that was mailed and will take questions after each segment and at the end. Anyone with a question during the presentation should submit them via the chat function or via email at esmith@marlboroughnh.org. Chairman Pitt explained the four segments that will be explained this evening:

1. The Network and the Technology
2. The Cost to bring Broadband to town and the Bond
3. Pricing for Service
4. Public/private benefit analysis and findings

First Chairman Pitt explained the process and how we got to this point. Senate Bill 170, which was passed in 2019, allows municipalities to issue bonds to build broadband infrastructure in unserved areas as defined by the Federal Communications Commission (FCC) as a location that does not have access to at least 25 Mbps download/3 Mbps upload speeds. The locations do not need to be subscribers to this service, but the service must be available at the “street level.” The Town currently has uneven broadband access, availability and speeds. Approximately 86% of the Town does not have the availability of 25 Mbps download/3 Mbps upload speeds. The legislation allows us to enter into a partnership with a chosen internet provider and to obtain a bond for infrastructure development. It is no secret that Marlborough residents and businesses have been unhappy with current broadband capacity and the first year of the pandemic, 2020, brought this to a head. We received numerous calls and emails from families confronted with work from home challenges and kids sharing the internet with their parents as schools went to virtual learning.

In the fall of 2019, the Town sent out a Request for Information as required by SB 170 to a number of internet providers and the committee received one response from Consolidated Communications which provided the information about unserved locations in Town. In the spring of 2020, the Town established a Broadband Advisory Committee to pursue upgrading broadband service in Marlborough. The Broadband Advisory Committee met via Zoom on Sunday for months. The committee researched all the options available to the Town. Create and run own systems or pursue private/public partnership. The decision was made by the Board of Selectmen to pursue the private/public relationship taking advantage of the provisions of Senate Bill 170. Selectmen voted to accept CCI's proposal on October 21st.

In early September, 2020, a Request for Proposals went out to numerous internet providers. On October 1st we received one response from Consolidated which complied with the numerous provisions of our RFP and proposed to make available to every resident, business and public building in Marlborough broadband service up to FCC standards and beyond. On October 21st the Board of Selectmen, on recommendation of the Broadband Advisory Committee, approved the Consolidated proposal.

We are now in the final phases of planning for this project. Town Meeting approval of the bond to fund broadband infrastructure development is needed. Seeing no questions, Chairman Pitt turned the hearing over to Jeff McIver to give everybody a description of the proposed network and the technology behind it.

Jeff McIver introduced Mike Cannon, the representative who will be heading the construction of the project. He noted that Consolidated is finishing projects in Chesterfield, Westmoreland, Dublin and Harrisville.

Mike Cannon spoke of the differences between copper and fiber. He explained that with copper, distance from the office determines the speed. Rain slows the service and creates electrical and mechanical issues. With fiber connections this all goes away. There are no

distance limitations. Fiber is also quicker to repair as fiber breaks can be identified in seconds. He stated the consistency with fiber is a night and day difference from copper. Repair windows will be shortened to 4 hours and hopefully down to 2 hours. He stated that installation will be free as long as there is an existing pole line or underground conduit in place. All Town buildings will receive free internet service. World class customer service is the goal.

Jeff McIver stated Consolidated will create a "landing page" on the Consolidated website to keep residents updated throughout the process.

A question was asked if a home almost to Troy line would be included. Mike replied, yes, all residents will be connected.

How long to install a mile of fiber? Mike expects a crew to install 2500-7000' per day

Jeff McIver commented that it will be 6-8 months for construction phase. He expects to have everyone hooked up within a year even though the contract allows 12-24 months.

Chairman Pitt said she was asked if Consolidated will be responsible for removal of out-of-date equipment. Jeff McIver answered yes. Mike Cannon spoke that some equipment will remain in service if people stay with copper. It will get picked up when no longer in use. Chairman Pitt confirmed it is Consolidated responsibility. Also, Chairman Pitt said she was asked what happens after 20 years. Will the Town be stuck with obsolete equipment? Jeff McIver commented that Consolidated will continue to maintain and upgrade the system during the 20-year agreement. He said the Town would have three options at the end of the agreement: 1. renegotiate with Consolidated to continue to operate and maintain the system (the fiber subscriber fee would be gone). 2. The Town could send out RFP for operation and maintenance of the system or 3. The Town could run the network itself.

Should we expect hubs to be in the densest parts with fiber to the town line? Mike Cannon replied that they will start at the office and build out from there.

Can people get tv services on fiber too? Tripp Legendre said you can get any video you want.

Cost to Bring to Marlborough:

Chairman Pitt stated the total cost to bring broadband to Marlborough is \$1,702,200. \$736,700 will be paid by Consolidated and Marlborough will secure a 20-year bond in the amount of \$965,500 which Consolidated will pay the monthly interest and principal payments on. The bond will be obtained through the NH Bond Bank and will have a term of 20 years. The rate for the bond has not yet been determined but the rate in January was 1.58% so our rate might be slightly higher. It will be a fixed rate. Consolidated will recoup the payments to the Town by charging subscribers an infrastructure fee of \$10 (or less) per month. Once set, the fee cannot increase but may go down depending on the number of subscribers. The Town and Consolidated will review this fee every 2 years. If you are not a subscriber you do not have to pay this fee. There are no taxpayer funds expended for this project. Chairman Pitt also noted that one important fact is that Marlborough retains ownership of the network and its value will be many times greater than the bond amount. If something ever happened to Consolidated, this valuable asset could be marketed to other providers. Chairman Pitt noted that Consolidated Communications is a billion dollar

company that operates in 23 states. It is one of the 10 largest fiber networks in the country and the largest in New England and growing. The committee felt that the risk of bankruptcy was small and the fact that Marlborough owns the asset puts us in a good position to market to other providers.

What if bought by another company? Chairman Pitt responded that we have a provision to cover that in the contract. The obligation to pay the carrying cost of the bond stays alive and gets taken up by the company that replaces Consolidated.

A question was asked about free install. Mike Cannon says yes, free install if existing line to home.

What will be the impact of satellite services such as Elon Musk's system? Will pose a threat to future values of fiber option? Tripp said no risk whatsoever. Transmission is better through fiber than air waves.

Pricing and Cost for Service

Tripp explained the prices on the flyer. Consolidated is looking to have simpler rates and superior service. Monthly charges are \$45 for 50 Mbps/50 Mbps; \$70 for 250 Mbps/250Mbps and \$80 for 1000 Mbps/1000 Mbps.

How often can we expect bumps in prices and in what increments? Who is charged for hardware at residences? Tripp replied that the hardware price is included in these prices. He expects prices to be stable for at least one year on the 50 Mbps and 250 Mbps service and 2 years for 1000 Mbps service. He stated if there were increases, the increments would be small...\$1 or \$2. He stated Consolidated wants to stay competitive.

Can you buy hardware or have to rent? Tripp stated the service will go to the ONT outside the home. A subscriber does not have to have Consolidated equipment if have their own.

Do rates include hardware rental? Tripp said, yes, the prices include the lease of equipment which is a wireless gateway router for inside the home.

Mike Cannon commented about the new router coming out. Tripp explained the Wifi6 router is the latest and greatest option available to the consumer.

There was a question about internet traffic privacy? Tripp replied the system is net neutral and accepts all lawful traffic

For those residents who decide to subscribe to the service, there will be a Fiber Recovery Fee of \$10 or less. The exact amount has not yet been determined. Those current customers who stay on DSL will not pay the fee. This surcharge enables Consolidated to pay the monthly bond installments. Chairman Pitt noted that the fee can never go up and will be reviewed every 2 years to adjust down depending on the number of subscriptions. No taxpayer money will be included.

Public Benefit Findings for Broadband in Marlborough:

Chairman Pitt stated the public benefit findings for bringing broadband to Marlborough.

Today's homebuyers are looking for high speed Internet access. Selling your home will be easier if a high speed fiber optic network is available in Marlborough, whether you subscribe to it or not. The Board of Selectmen has identified two major ways approval of the bond would impact the economic viability of our town.

Home Resale Feature: First, Marlborough will soon be surrounded by communities offering fiber optic networks. Chesterfield and Keene already have high speed internet capabilities. Walpole, along with Dublin, Harrisville and Rindge broadband projects are underway. Home buyers today want to locate in towns that provide high speed internet connections so they can work from home, allow their children to do homework, participate in virtual learning and enjoy streaming programs. In order to keep Marlborough as a town with a favorable home resale market, we need to be one of the towns with a fiber network.

Business Development: Second, for the Town to keep its business segment viable and expand its property tax base (and lower residential property taxes) it must keep and attract new business development along the Route 101 business corridor. Due to the communication needs of today's businesses, no company wants to locate in an area that does not have high speed internet access. By approving this bond, we will maintain the vitality of our business corridor and become more appealing for growth. New business means increased tax revenue which, in-turn, will help lower residential property taxes.

Safety: Town public safety departments (police, fire, public works, emergency management) will have faster, more reliable communication links. This translates into a benefit for all Town residents. In addition, all public buildings will be connected at no charge to the Town.

Education: With remote schooling a reality during the pandemic, students will have a faster, more reliable network for doing research, completing assignments and participating in on-line class meetings.

Telecommuting: Whether working from home is an option or a necessity, a faster, more reliable network connection makes telecommuting a reality, even with on-line students in the home.

Recreation, Quality of Life: A reliable, high speed broadband network will allow residents access to a variety of movies, TV and internet-based educational opportunities. It will also enable families to have better communication with distant family and friends without buffering or dropped connections.

Other: Telemedicine and Zoom. Ability to have discussions with your doctor without leaving home.

Is it correct that all municipal buildings will receive free service? Does that include the school? Jeff McIver commented that Town buildings will have free service. He commented that the school may already have fiber. Schools operate on a different level of fiber. He said he could follow up on it if in fact they don't have fiber. Also, Mike Cannon stated that the contract does not install free service to school.

Chairman Pitt noted that the Selectmen did vote at the last hearing to endorse the findings of public benefits, but would like to repeat the vote to cover all bond requirements. Selectman Nelson moved to accept and endorse the findings of public benefits. Seconded by Selectman Paight. Roll call vote: Pitt—yes, Paight—yes, Nelson—yes. Motion passed.

When can you sign up for service? Jeff McIver said Consolidated will start building immediately after the Town vote. He noted the “landing page” on Consolidated’s website will give updates and provide a preregistration function for interested subscribers.

Chairman Pitt reminded everyone about the dates for Town Meeting. Voting will be March 9th from 1-9 pm at the Marlborough School and the Business Meeting will be on March 16th beginning at 7 pm at the Marlborough School. The vote on the bond will be at the March 16th meeting. It is the third warrant article to be discussed on the warrant. It will require a 3/5 vote of the people present and it will be a paper ballot. Jeff McIver will be in attendance for questions.

Chairman Pitt closed the public hearing at 8:17 pm and thanked everyone for attending.

Selectman Paight moved to adjourn at 8:19 pm. Seconded by Chairman Pitt. Roll call vote: Pitt—yes, Paight—yes, Nelson—yes. Motion passed.

Submitted by,

Gina Paight