

**Mid-Coast Broadband Coalition (MCBC) Meeting
February 10, 2021
5:00 p.m.
Zoom**

Minutes

1. Call to Order

Participants:

Chair: Debra Hall (Rockport); Vice Chair: Matt Siegel (Camden)

Representatives:

Camden: Marc Ratner, Jeremy Martin

Camden National Bank: Steve Matteo

Hope: Melissa Foster Hall

Knox County: Leticia Van Vuuren

Lincolnton: Josh Gerritsen

Northport: Shelly Patten, Ann Frenning Kossuth, Brady Brim-DeForest

Rockland: Benjamin Dorr

Rockport: John Viehman

Technical Advisor: Chris Stump

Thomaston: Brian Doyle

Union: John Gibbons

Owls Head: Jacob Post

Also Present: Stephen Betts (media); Dean Mischke (Finley Engineering) and Doug Dawson (CCG Consulting)

2. Approval of January 27, 2021 Minutes

The draft of the January 27, 2021 minutes distributed on January 28, 2021.

Motion: To approve the minutes from January 27th meeting, from Debra Hall, 2nd Matt Siegel

Vote taken: Approved by voice consensus

Request made for a volunteer to be leadership committee Secretary. No one stepped forward at this time.

Action Item:

To recruit a leadership member as Secretary to serve and record the minutes of meetings.

3. Finley Engineering / CCG – Presentation

MCBC joined by Dean Mischke, Finley Engineering and Doug Dawson, CCG Consulting to discuss next/first steps in obtaining a potential bid from Finley /CCG for consulting services to MCBC.

Finley Engineering, a multi-discipline organization, offers professional engineering, surveying, mapping, environmental, and right-of-way services to the telecommunications,

electric power transmission and distribution, gas pipeline, cable television, fiber optics, and related industries.

With more than 30 years of experience at Finley, Dean Mischke brings extensive knowledge and expertise in the area of advanced communications networks. Dean designs and builds fiber networks capable of cost effectively meeting the demands of tomorrow's consumer. Finley currently has several Maine clients.

Doug Dawson is the owner and president of CCG Consulting. CCG is a successful telecommunications consulting firm with over 700 clients. CCG's clients include ILECS, CLECS, cable companies, ISPs, municipalities and wireless carriers.

Doug Dawson

- CCG has completed feasibility studies for fiber, wireless, coax, and copper
- 400+ studies, a product since the start of the company
- 150+ for municipalities, every kind, from little towns to NFL cities

Dean Mischke

- Builds networks from concept to turnover
- FTTH can be built
- Generic models do not work
- Finley sets up the design, engineering and business plan to make systems work with proper implementation
- Focus on fiber.
- Sweet spot: 1000-5000 takers/passings/customers, MCBC fits well within that range

Finley joined forces with CCG which is the financing arm of the study
Consultants who do and know the systems; all worked for telecom and/or cable companies

POI: Potential conflict of interest; Dean and Finley worked with Debra in Naples, FL
Now working in Maine on 2 other projects, Have done some design for LCI

Soup to nuts of what Finley and CCG could do with the MCBC. (Defining activities and products provided as part of their work.) **The three key components of the Finley/CCG feasibility study:**

- 1) Design, provide engineering specs, and price out network
- 2) Perform market research, surveys, speed test, and market analysis
 - a. Get a feel for what market is like, how many potential customers
- 3) Build financial models to see if the proposed project makes economic/business sense
 - a. "Could take them to the bank"
 - b. "Based on reality"

To consider: 20+ additional modules as add-ons to their combined report including: How to fund, Fed regulations and implications, and how to find partnership options

To consider: One study for the whole group, or individual financials for each town/municipality. Individual town/muni preferred option, in consideration of all the potential changes of stakeholders over time.

To consider: Additional study modules including whole picture funding.

How to fund

Community participation

How to raise money

Equity investment options, ex. selling shares

Direct buy-in

Muni bonds

Operator leasing

Decide finance models

To consider: Variables (what if)

Interest rates change

Customer penetration changes

Price changes

Key product Q/result:

Break even penetration TBD in study; how many customers do you need to make this happen and pay for itself?

65% to make it work?

Or 30% to make it work?

Information and data delivered as extensive written report for public and politicians.

Network costs is #1 aspect of the study

Conservative estimates, report will come in over, but close proximity to provide answers

Questions from the floor:

Steve Matteo, Camden National Bank. Timing?

Study process, about 4 mos

Network costs available before that

Financing needs and realization of financial model, TBD

Actual Construction: Should be implemented in two building seasons

POI: Timing for town approvals?

Goal: Approval of a corridor from Northport to S. Thomaston

Debra: Regional Utility option (Ex. Calais)

Maine statute exists that allows creation of interconnected local muni agreement for network build

Every town/muni would have to take the proposal to their town to receive authorization to enter into an interlocal agreement

Then, in theory, regional utility could become a separate legal entity

Ben Dorr, Rockland City Council. Average muni buy in? Takers (customers needed)?

- 35-55% needed, based on cost tied to engineering
- In dense areas will be OK
- Tough to build in rural, cost high

Ben Dorr. Wireless vs fiber? Starlink and/or 5G instead?

- Jacob Post: 5G saturation, need line of sight
- Already have competition with cable, in community

Marc Ratner, CSB. Q of goals. Fiber to the home. Other towns...not so adventurous. How to handle a coalition with diverse goals and regions?

- Answer: Decide ahead of time.
- Comments from smaller town participants that they too want fiber, goals may not differ.
- Find/create a unified business plan.
- Deb Hall: Create a utility. Generate revenue first. Then expand and upgrade over time.

Jeremy Martin. We have an existing fiber build out in Lincolnville and Hope. How do you deal with existing competition?

- Doug: Rarely makes \$ sense to make a 2nd fiber system.
- No way dividing up customer base

Jeremy. Have you seen an entity buy up existing vendors?

- Disclosure: Dean, we have already helped Lincolnville.
- Yes, that is a possibility.
- (Debra Hall note: Another possibility is renting one another's fiber strands for a portion of service delivery as LCI and GWI have done on Rockport fiber network.)

POI: Josh Gerritsen, LSB. LCI running fiber down 90% of main road, pricing start at 69.00 but no access. Lincolnville Select Board discussed, providing service to all, 100/100 as a min. Discussion of overbuild in an effort to control costs to consumer.

Brian Doyle, Thomaston. Work force to service? How does a muni owned network provide service?

- Short on technicians nationwide.
- Small ISPs can provide great service.
- It is not that tough to train people.
- If you offer benefits, techs will be attracted to the muni network.

Action Item(s):

- 1) To do broad scale pricing...How many route miles of plant do we need to build?
MCBC provided "homework assignments" needed by Finley / CCG for cost purposes. Homework for each community representative to calculate and return the following data:
 - a. Number of miles of plant to build
 - b. Road/route miles
 - c. Potential customers, number of establishments (1 house where there may be additional dwelling units, single drop), passings
 - d. Get a sense of density

- 2) Get data to Debra by March 5th – stats will be submitted to Finley so they can create a table to provide us a means of gauging our potential costs for a Finley/CCG bid.

- 3) Debra Hall to follow-up with Doug Dawson for a copy of his Feasibility Add-ons optional to the initial study (Note: provided by Doug and distributed by Debra to MCBC Feb. 11th)
 - a. Ex. Finance the network
 - b. Do not need to address vacant properties

4. **Update on MCBC Mission/Value/Goals – Action Item**
Josh Gerritsen, Matt Siegel and John Viehman submitted draft text and documents (available on webpage), which were reviewed.

Vision

Our vision is to realize a community that is fully interconnected through high-speed internet and digital technology in support of the educational, economic, and social needs of Midcoast Maine.

Mission

Our mission is to provide every home and business in Midcoast Maine with access to affordable, high-speed, state-of-the-art internet and best-in-class customer service.

Values

- **Community Ownership:** *Community-owned and community-controlled for the sole benefit of its customers.*
- **Affordability:** *Services provided at a fair price.*
- **Reliable:** *Dependable service with minimal downtime.*
- **State-of-the-art:** *Incorporating the newest technology, ideas, and features.*

- Accessibility: Removing barriers to utilizing the network.

Goals

- Create a community-owned regional high-speed internet network by _____.
- Establish an open-access network with multiple service providers.
- Be a model community-owned enterprise for the state of Maine.

MCBC accepted the work shown above as a starting point and made suggestions to revise mission and vision statements. The committee was asked to review and revise mission, vision, goals, and values. Ann Frenning Kossuth will join the group's efforts.

Motion: None

Vote: N/A

Comments on Vision and Mission Statement:

John on Vision Statement: Broad umbrella statement; what would the world look like 30 years from now if we succeed

Ann: The importance to emphasize being connected, linked, and interconnected...within the region and to the outside world.

Comments on Goals:

3-5 to start, update on a regular basis

What will need help from group: Defining the goals!

Wordsmithing examples:

~~Community-owned~~ vs community (controlled), community (lead), or stakeholder

Replace "community" with region and regional

To address, the many models of public private ownership

Community vs regional (Lenders might prefer regional)

A goal: Fiber to the home (FTTH), as a goal (refinements to be made over time) FTTH as a goal, may not meet that goal immediately (public right away)

Define the attributes of the proposed network

Action Item(s):

Review the Vision, Mission, Values and Goals document.

Send and share comments and feedback to Debra; will be revised in committee

Branding and marketing - Committee tasked with creation of new names for the MCBC as a multi community organization.

POI: Current name is too close to the Maine Broadband Coalition (MBC)

5. Website Update – Discussion Item

Postponed due to time

Action Item:

Chris Stump will provide an update on the MCBC website.

6. Future / Regular Meetings

The group set future meetings for the second Wednesday of each month at 5 p.m. as follows.

Mar 10th, April 14th, May 12th

Jun 2nd Note this is first Wednesday of June to avoid town elections/annual meetings

Jul 14th, Aug 11th, Sept 8th

Oct 13th, Nov 10th, Dec 8th

7. New Business and Other Matters

Action Item(S):

Debra Hall noted that Rockland had voted in favor of joining the MCBC and Thomaston and Union are considering it.

Melissa Foster Hall update on grant information. Confirmed that LCI-installed fiber, though received with grant money is owned by LCI.

Committee formation, TBD, subsequent email sent by Debra Hall on Feb. 11th.

Transition Zoom meeting to a different host. New host will be Jeremy Martin from the Town of Camden.

POI: Details for future meeting should be from The Town of Camden, including LiveStream, Broadcast on Town of Camden YouTube Channel, and keep same format.

Debra Hall advised that she will be in touch with Downeast Broadband with the possibility of them speaking at the next meeting.

Work with Leticia for web-based mapping, using GPS data. A great service to Knox County

8. Adjournment

Motion: No motion to adjourn

Vote: By consensus, meeting adjourned at 6:33, as pre-determined in the agenda.