

Interim Update

Broadband Feasibility Study



Cost Estimates

Cost Estimates (PRELIMINARY)



Capital Expenditure	All Underground	Mixed Aerial/Underground	Difference
Fiber Feeder Distribution	\$51,200,000	\$32,171,000	\$19,029,000
Fiber Service Drops & Home Equipment	\$8,600,000	\$8,600,000	\$0.00
Fiber Shelters	\$850,000	\$850,000	\$0.00
Data Center & Headend	\$1,500,000	\$1,500,000	\$0.00
Network Electronics	\$3,870,000	\$3,870,000	\$0.00
Total Capital Costs	\$66,020,000	\$46,991,000	\$19,029,000
Additional Contingencies covering inflation on materials and labor	15%	15%	
Total Costs	\$75,923,000	\$54,039,650	\$21,883,350

High Level Timeline



Timeline		2022	2023	2024	2025	2026
Engineering Design	8 Months					
Construction Phase 1	5,000 premises					
Customer Connections Phase 1						
Construction Phase 2	6,000 premises					
Connections Phase 2						
Construction Phase 3	5,0000 premises					
Connections Phase 3						

Cost & Timeline Considerations

Underground Construction

- 80% of total project cost
- Few opportunities for cost savings
- Longer timeline for construction
- More community impact
- Higher cost in foothills with rock

Materials inflation in today's market

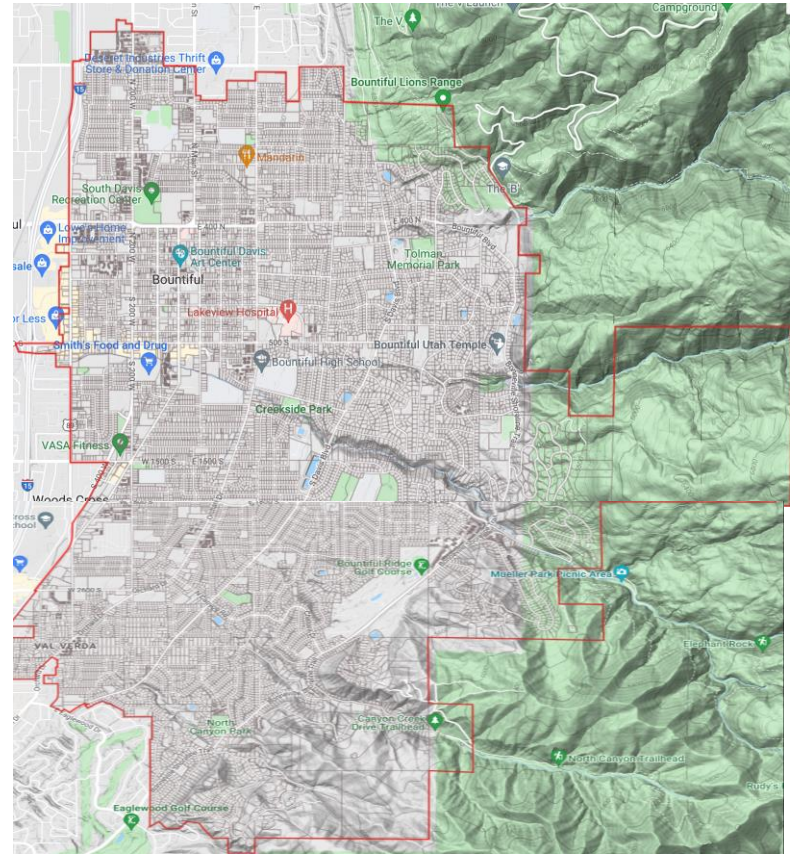
- Conduit & fiber: 35% - 75%
- Vaults & handholes: 30% - 40%
- Overall Project: 30%

Labor demand

- High demand for aerial and underground crews, splicing crews

Material Delays

- Impacting conduit, fiber, vaults and closures
- 6-12 month lead time currently



Comparing Pricing



RFI Respondent	Estimate Build Cost
Connex	\$45M
First Digital	\$55M - \$75M
EntryPoint	\$35M - \$57M
UTOPIA	\$33.5M
Strata	\$49M

**Magellan Estimate
\$54M - \$76M**

Other RFI respondents did not provide cost estimates for the network construction

Community Broadband Overview



Prior Slides

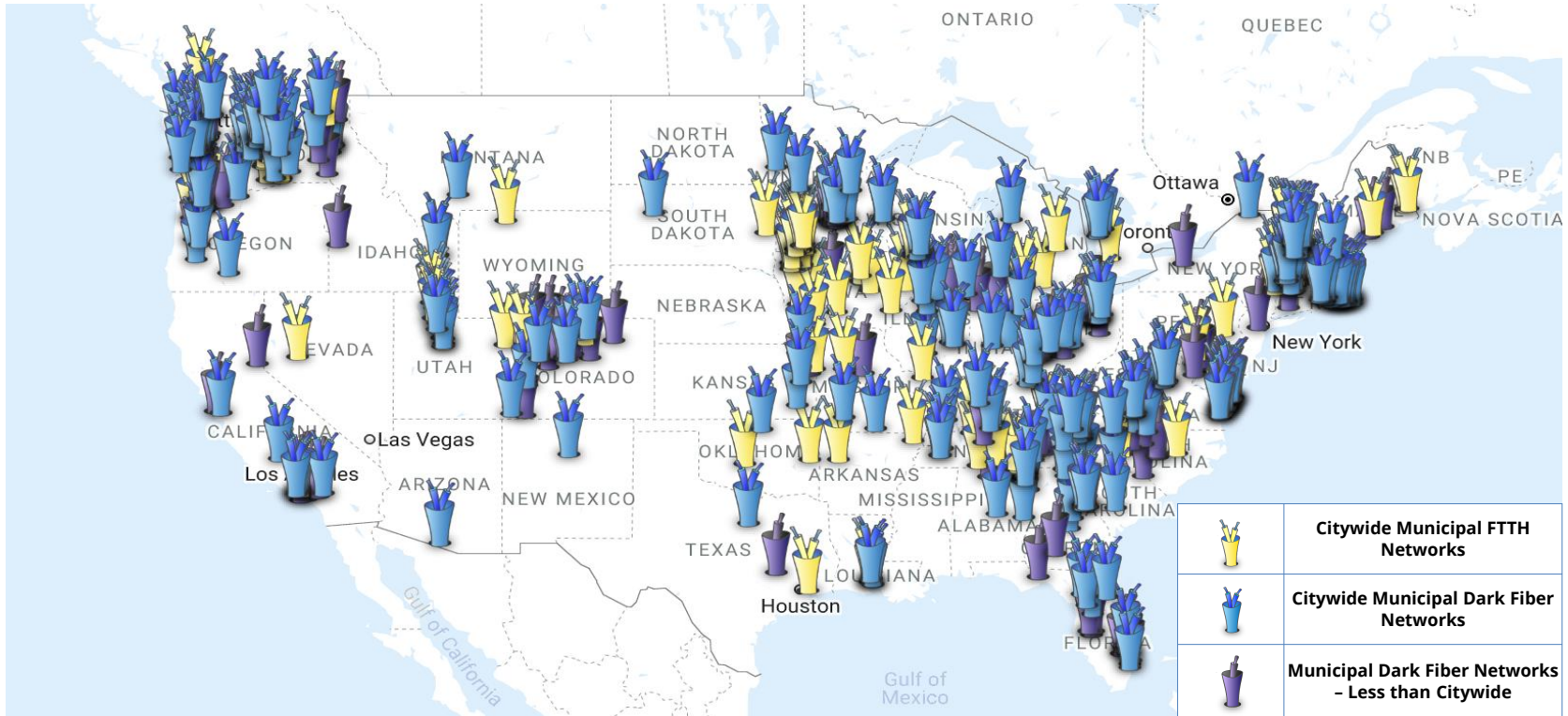
Community Broadband Overview



- **Daily life relies on fast, reliable internet**
 - Work
 - Education
 - Healthcare
 - Entertainment
 - Social connections
 - Business operations
- **Although nearly all community members have some level of access, “your mileage may vary,” depending on:**
 - Where you live
 - What technology you have access to – fiber, copper, wireless
 - The price you pay
- **Community broadband seeks to ensure all community members have equitable access to the internet**

Community Broadband Overview

What are other communities doing about it?



Community Broadband Overview

What are other communities doing about it?



60+ City owned and operated

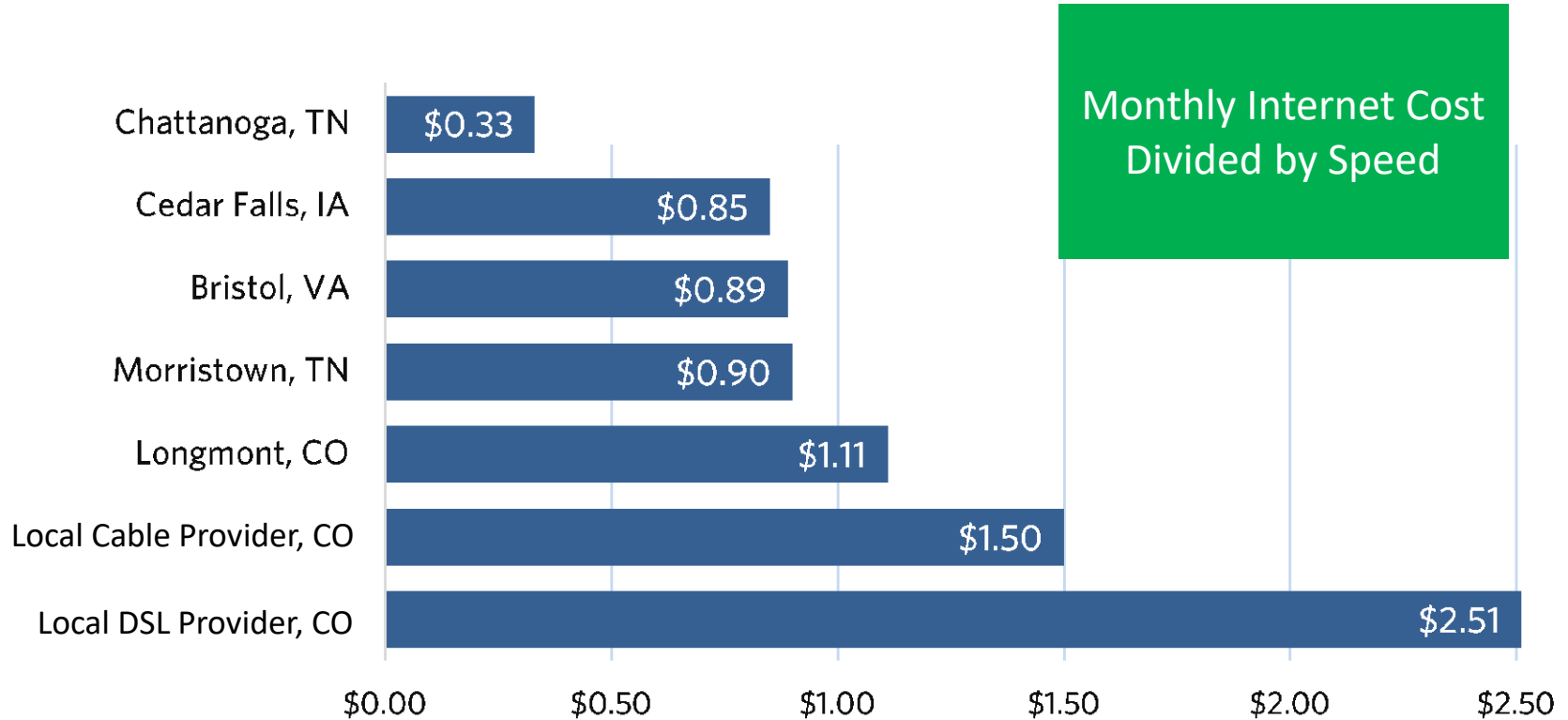


350+ City-owned, ISP operated

Community Broadband Overview



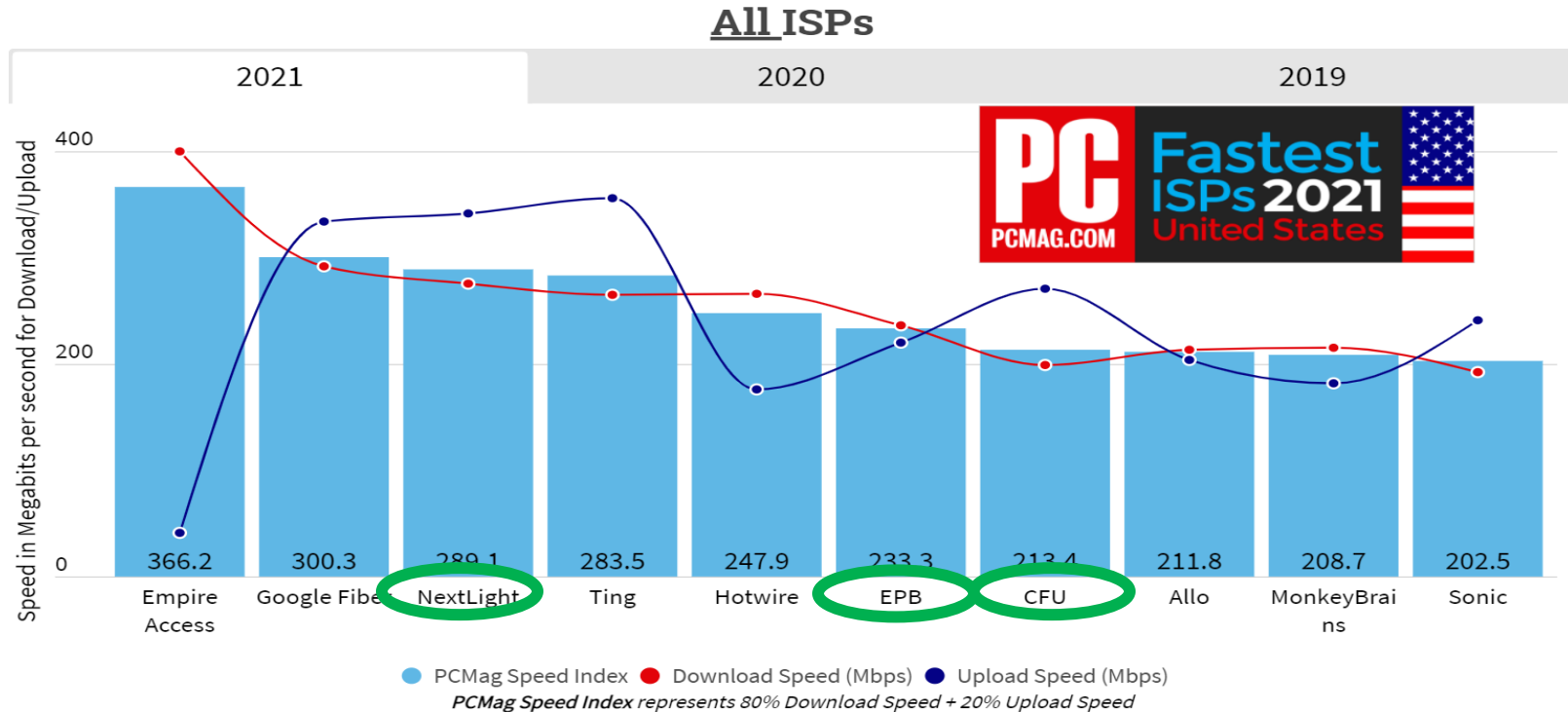
Costs Per Megabit Are Lower in Community Owned Networks



Community Broadband Overview

3 of the fastest ISPs are community-owned

City of Longmont (NextLight), City of Chattanooga (EPB), City of Cedar Falls (CFU)



- Find out what residents and businesses want (**Complete**)
- Forecast the costs involved
- Assess alternatives
- Inform City leadership of the options
- Determine the best path forward

Monthly Pricing Ranges



Basic

**100 Megabit
Fast**

\$20 - \$35

Starter package with speeds for basic users to surf, email, talk and video chat

Silver

**300 Megabit
Faster**

\$35 - \$50

Intermediate package with speeds needed for streaming TV, gaming, work from home, webcams and smart homes

Gold

**600 Megabit
Fastest**

\$50 - \$70

Advanced package with speeds needed for streaming multiple TVs, gaming consoles, work from home, webcams and smart homes

Platinum

**1 Gigabit
Fastest**

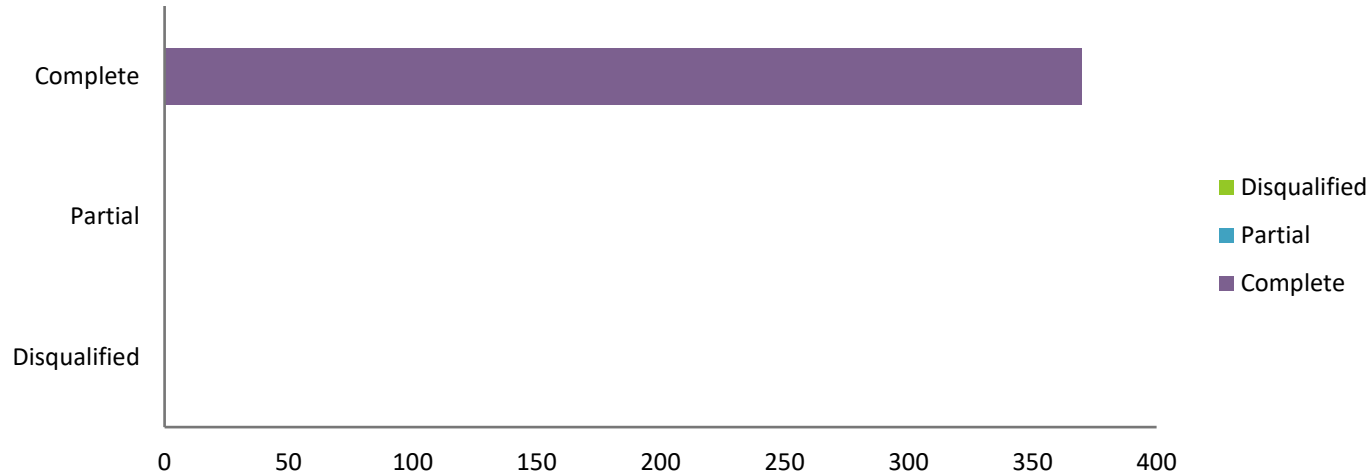
\$70 - \$90

The gold standard for power users with speeds for many TVs, game consoles, webcams, smart homes and virtual reality

Preliminary Pricing Only – Subject to Change Based on Final Cost Study

Survey Results




Response Statistics



	Count	Percent
Complete	370	100
Partial	0	0
Disqualified	0	0
Totals	370	





Response Statistics

Do you currently have internet service at home?

Value		Percent	Count
Yes		97.8%	362
No		1.4%	5
Only cellular (mobile wireless, smartphone or hotspot) or satellite		0.8%	3
Totals			370

Response Statistics







Please select the primary reason why you don't have Internet service at home.

Value		Percent	Count
Too expensive		55.6%	5
Not available in my area		22.2%	2
I don't need Internet service at home		11.1%	1
I access the Internet elsewhere		11.1%	1
Totals			9

Response Statistics

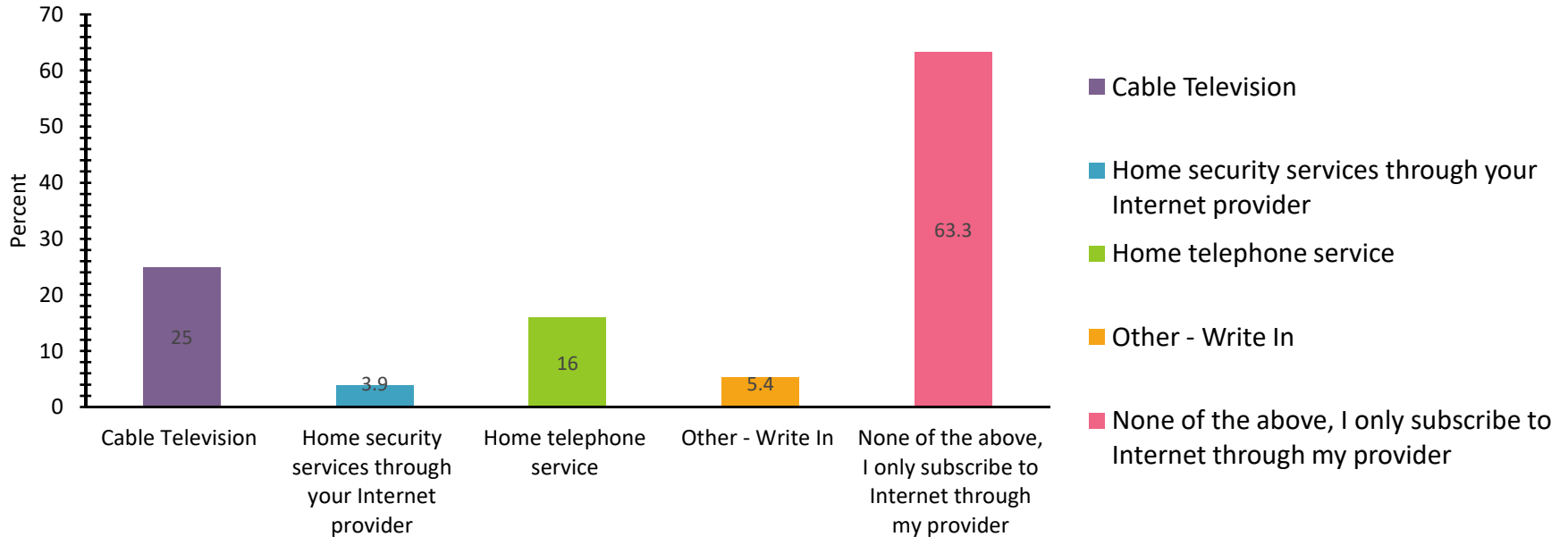


How much do you pay each month for your internet service at home, not including other bundled services such as television or telephone.

Value		Percent	Count
\$20 - \$40 Per Month		6.6%	22
\$41 - \$60 Per Month		34.7%	116
\$61 - \$80 Per Month		26.3%	88
\$81 - \$100 Per Month		21.0%	70
\$101 - \$120 Per Month		6.0%	20
More Than \$120		5.4%	18
Totals			334






Response Statistics

Do you bundle other services with your home Internet services?






Response Statistics

What company provides your internet service at home?

Value		Percent	Count
Comcast/Xfinity		66.0%	223
CenturyLink		24.0%	81
Utah Broadband		1.8%	6
Unsure		0.3%	1
Other - Write In		8.0%	27
Totals			338

Response Statistics

How important is Internet service to you, overall?

Value		Percent	Count
Moderately important		3.9%	13
Very important		22.4%	74
Extremely important		73.6%	243
Totals			330

Response Statistics



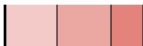






Please rate your overall satisfaction level with your home Internet service.

Value		Percent	Count
Very dissatisfied		6.2%	21
Somewhat dissatisfied		26.0%	88
Neither satisfied nor dissatisfied		13.9%	47
Somewhat satisfied		39.9%	135
Very satisfied		13.9%	47
Totals			338

Response Statistics

If the City of Bountiful were to offer high-speed Internet services directly to your home, please select the top 3 reasons you would switch from your existing provider.

Item	Overall Rank	Rank Distribution	Score	Number of Rankings
Faster speed	1		607	272
Lower price	2		599	257
Higher reliability	3		363	195
No data caps	4		147	92
Better customer service	5		106	68
I prefer purchasing my Internet service from a local provider	6		90	52
More online privacy	7		50	33

Response Statistics



If speeds, prices and reliability were equal, who would you prefer to be your internet service provider?

Value		Percent	Count
The City of Bountiful		59.8%	202
A New Internet Service Provider		19.5%	66
My Current Internet Service Provider		20.7%	70
Totals			338

Questions?

Broadband Feasibility Study

