

Discussion of the November 8th Broadband Ballot Question

Mount Vernon Select Board

Bob Grenier, Chair

Anna Libby

Carl Rogers



Mount Vernon Broadband Committee

Keith Coulling

Ken Elliott

Scott Herrick

Carl Rogers

Bill Rosenberg, Chair

Dan Works

Chuck Wright

Matt Zeh

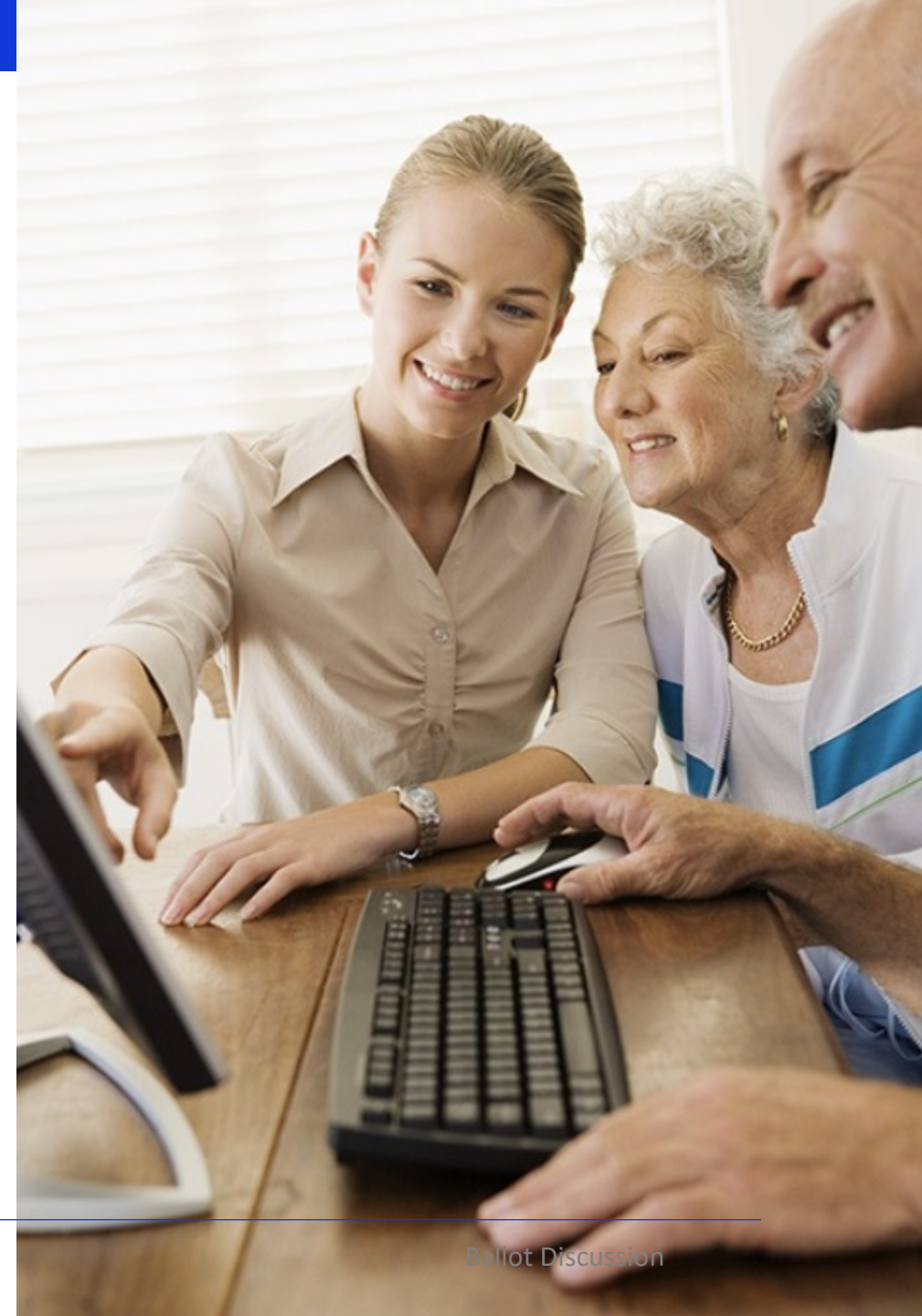
Andie Zuniga

Presentation Objectives

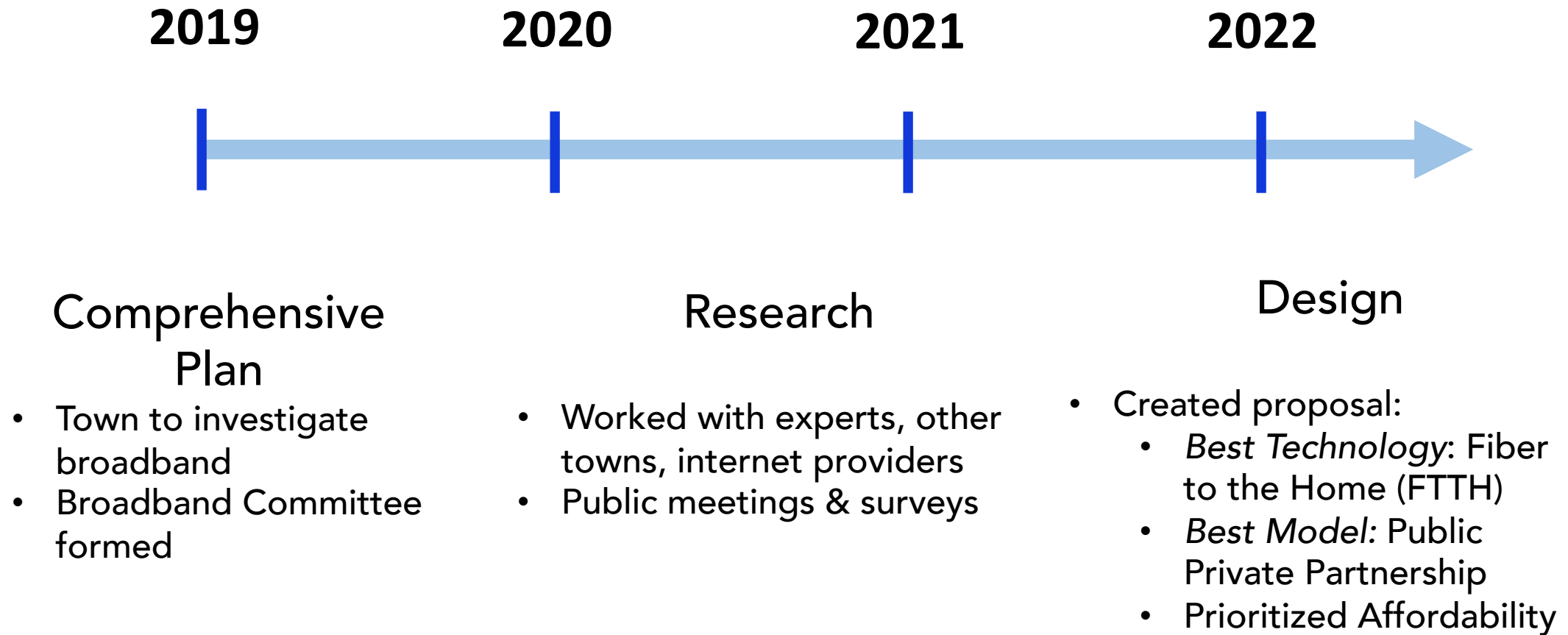
- Provide helpful information about the Nov. 8th ballot question
 - Brief Background
 - Broadband Proposal Details
- Leave time for Questions & Answers

Internet access is vital

- Education
- Healthcare
- Connect with family & friends
- Entertainment
- Remote Work



How did we get to this point?



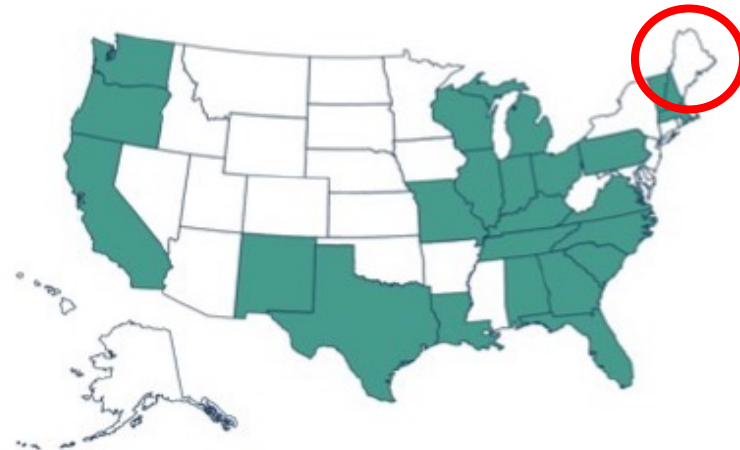
What we heard from Mount Vernon residents...

- *"Where our house is now... there is no cable for internet. The road has exceeded cable capacity, so those of us without it cannot get it."*
- *"Quality internet service needs to be a priority in our town in order for all of us to prosper personally & professionally."*
- *"It's currently terrible, bad for me, bad for business and bad for economic and social development"*
- *"Can we get fiber so we have 21st century capabilities?"*
- *"How much will it cost? When can we get it?"*

Why Fiber to the Home?

Charter + the Rural Digital Opportunity Fund:
**POWERING OPPORTUNITY
FROM COAST TO COAST**

Investing \$5 Billion to Connect Unserved
Americans to Reliable, High-Speed Broadband



More Than

1M

Unserved Homes & Small
Businesses Reached (FCC Est.)

\$5 billion

TOTAL INVESTMENT

\$1.2 billion in RDOF funding
Est. \$3.8 billion Charter funding

24

States

115,000

Miles of Network
Infrastructure

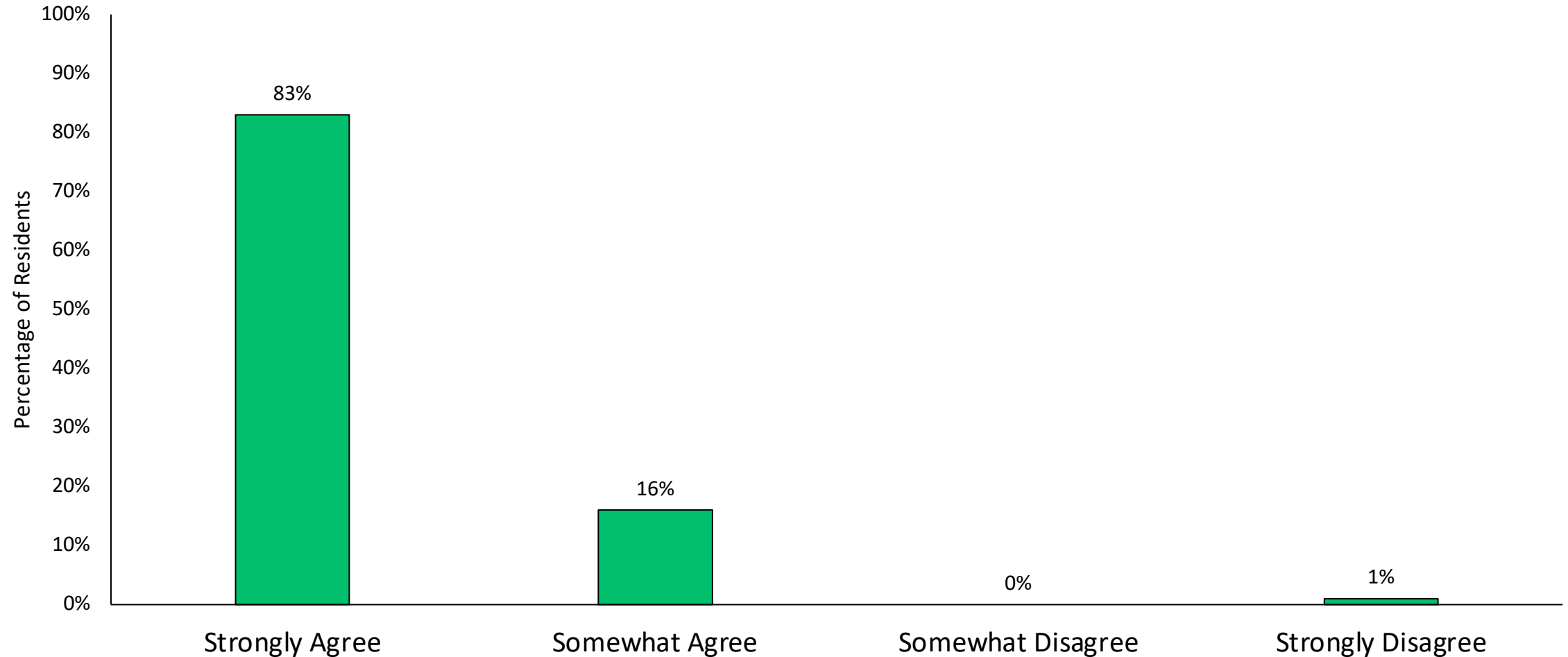
Charter
COMMUNICATIONS | Spectrum

Charter Is Investing \$5B for FTTH to 1M Homes



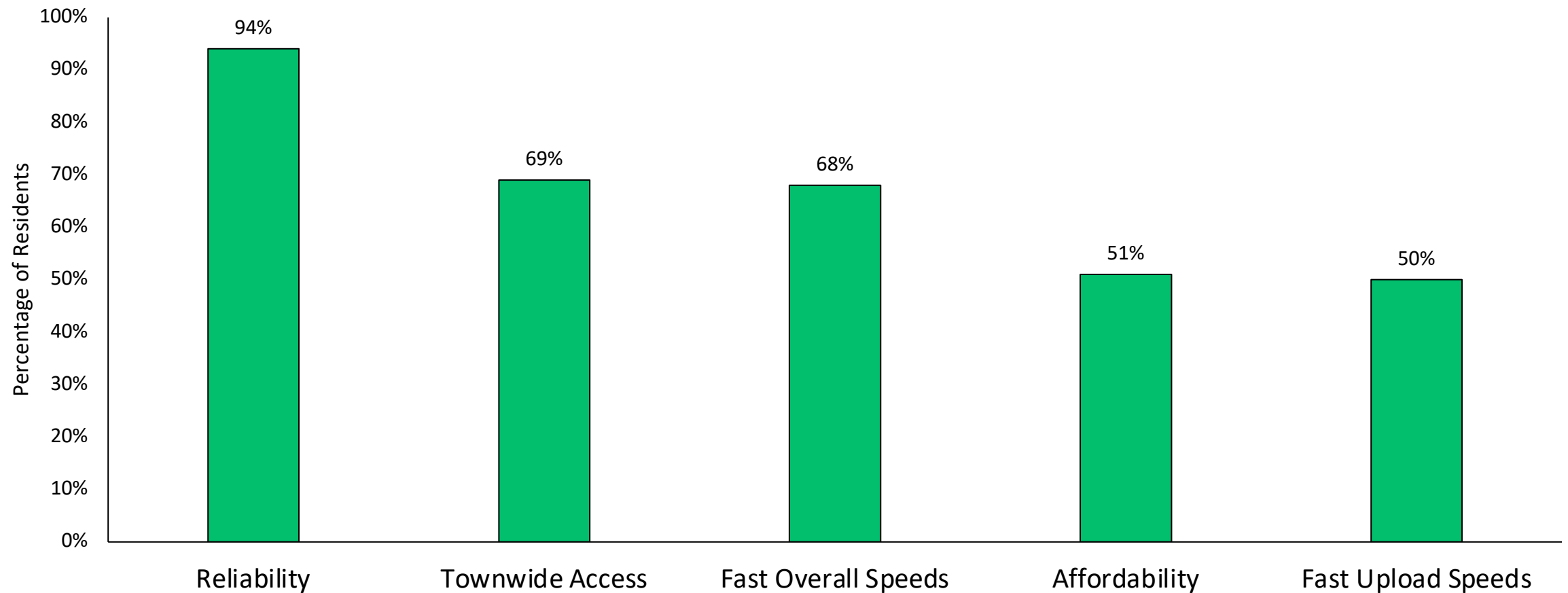
- No home in town has “standard broadband”- 100/100 Mbps
- 64% have access to cable
- 36% have access to slower, less reliable DSL internet, or no internet service at all

99% of survey responders want to increase access to reliable, high-speed internet

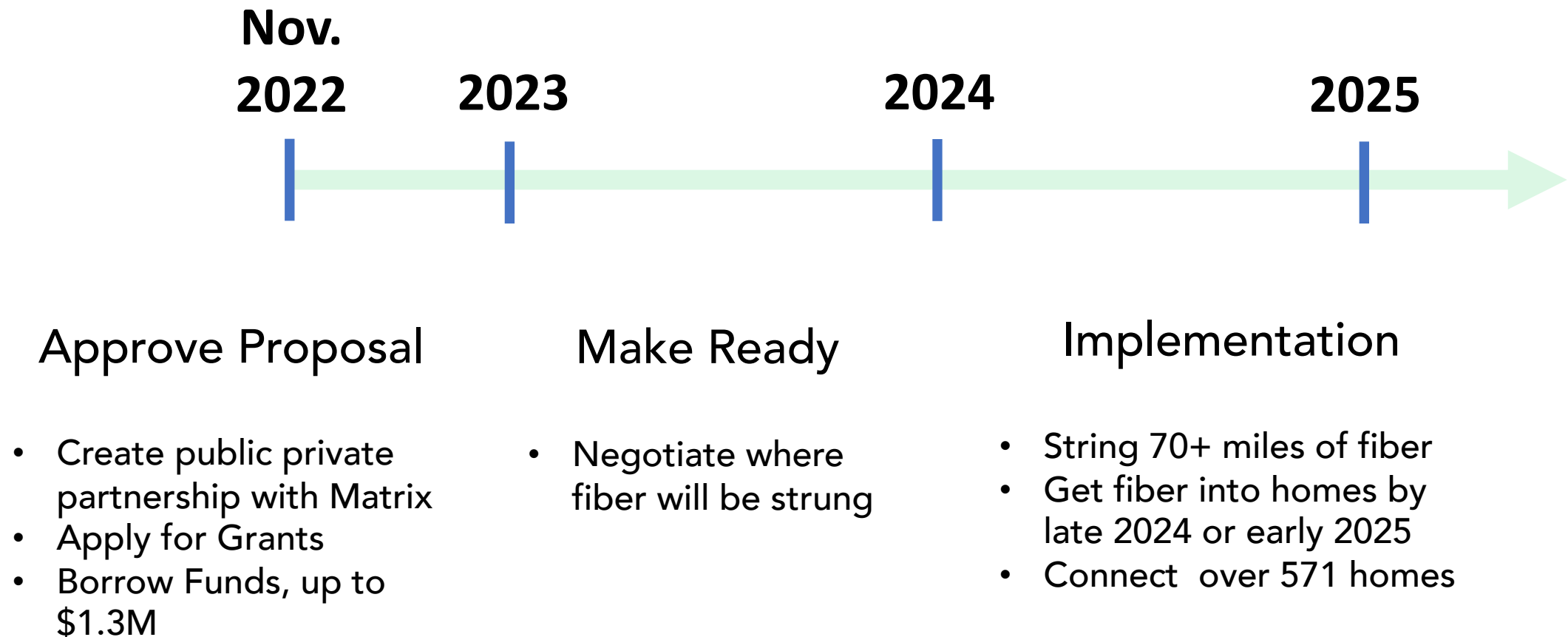


94% prioritized reliability

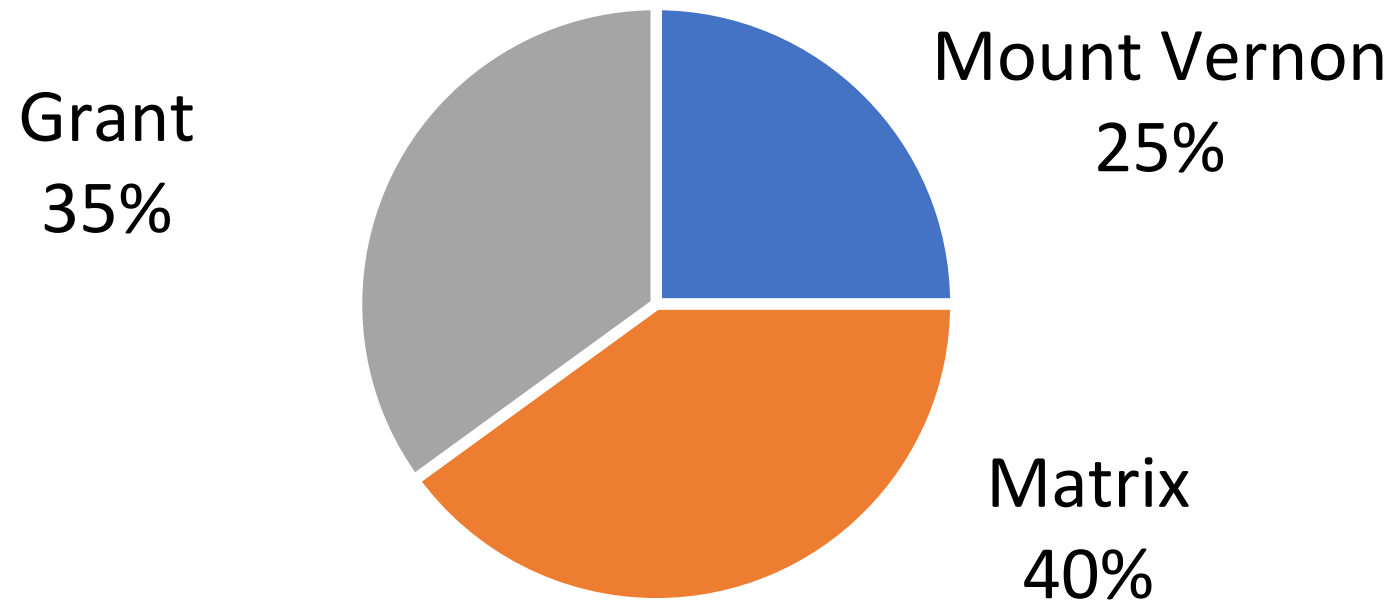
Which of these elements of Internet service in Mount Vernon are important to you for your household use? Check as many as you want.



If Ballot passes, we will



Estimated Cost Breakdown



Partnership Details

- Matrix will contribute \$2M
- Matrix will lease network to Town
- Town will have option to purchase after 5 years
- Purchase price will decrease each year until cost is \$10 in year 20
- Favorable subscription rates
- 3 free public wi-fi hotspots



Costs to Mount Vernon Residents

- Average taxpayer will see an increase of ~\$10/month or \$120/year
 - Increase will start in 2024 and apply to subscribers and non-subscribers
 - Seniors who qualify for tax stabilization will not be impacted
 - Subscription savings are expected to outweigh tax increase
 - Long term FTTH will preserve or enhance property value and mitigate future mil rate increases

Costs to Town

- **Long term investment (15 years)**
 - Up to \$1.3 million debt
 - Mixture of bank notes and bonds
- **Annual costs**
 - Less than \$200,000 per year in property taxes needed
 - Debt service + normal lease related expenses (insurance, utility company fees)

Costs for Subscribers

- **\$400 standard installation fee**
 - Free for first 571 pre-subscribers
 - Installation costs for others will be split into two \$200 payments
 - If your home is over 300 feet from road there will be additional costs

- **Monthly subscription fees**

- Service Options

50/50 \$45 per month	500/500 \$75 per month
100/100 \$55 per month	1GB/1GB \$99 per month
<i>*Rates will increase by \$10/month if fewer than 571 residents subscribe</i>	

- Wi-Fi Router rental (\$10/mo.) if needed

Other Fee Considerations

- All subscription fees are fixed for first two years
- Cost for 100/100 will not rise above Consumer Price Index (CPI) without town approval
- Low-income internet subsidies (up to \$30/month) will be available for all tiers
- Voice-Over-Internet-Protocol (VoIP) with unlimited long distance at \$20/mo (keep your current phone number)
- Included: 8-hr battery backup to power internet + phone during power outages
- Seasonal homes can disconnect/reconnect once a year for \$20

Estimated Monthly Household Savings

\$26/mo or \$312/yr. after tax increase

Cost Reductions	Amount	Cost Increases	Amount
Eliminate Cable/Satellite	(\$130)	Tax	\$10
Eliminate Std Telephone (Unlimited Long Distance)	(\$75)	Netflix	\$14
		Amazon Prime Video	\$15
		Phone (via Internet)	\$20
		100/100 internet	\$55
		YouTube TV w/ Local Channels	\$65
Total Cost Reduction	(\$205)	Total Cost Increase	\$179

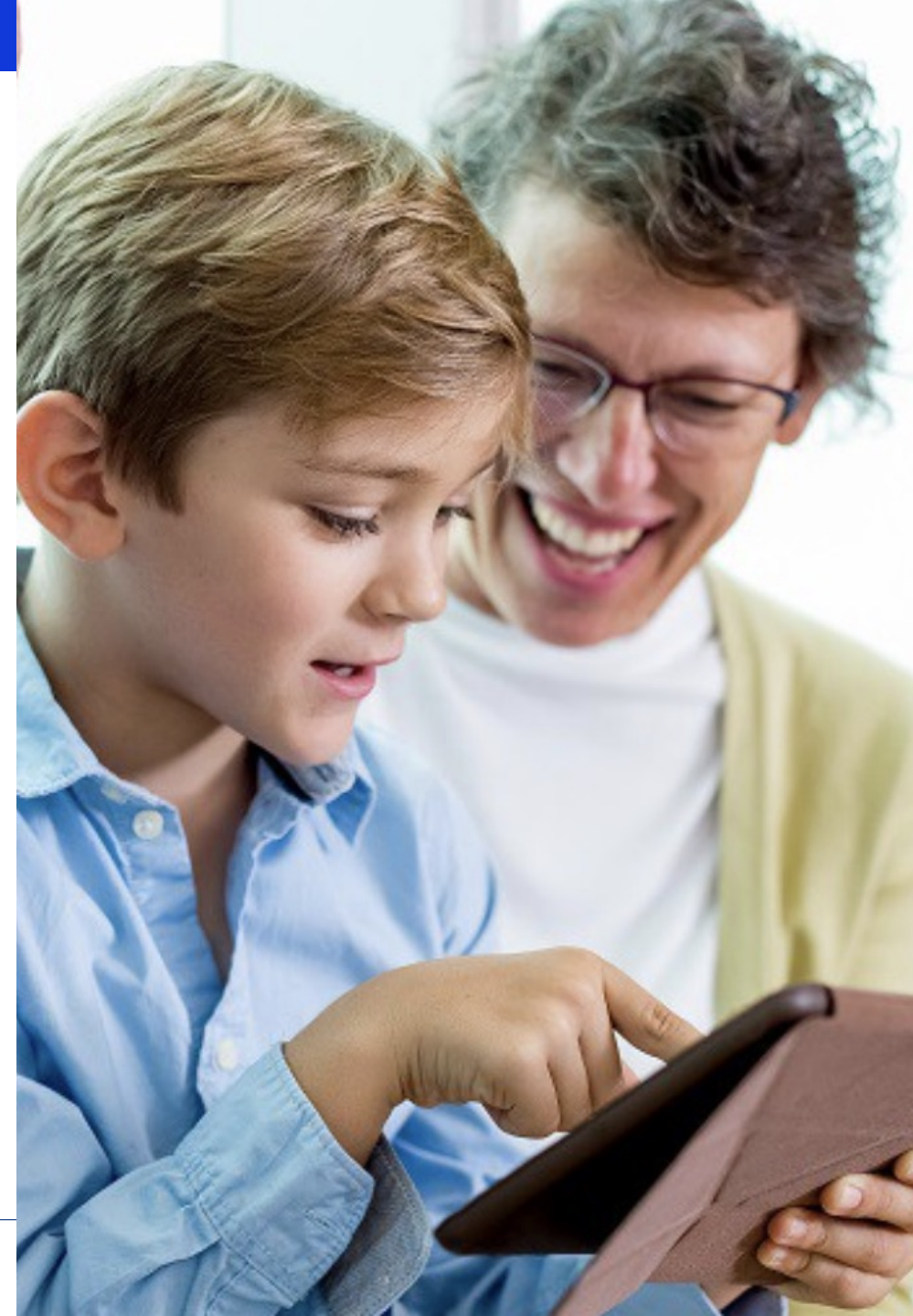
Short Term Benefits

- Competition helps everyone
- Fewer dropped calls w/ Wi-Fi assistance
- Faster internet at a lower cost
- Reliable service during power outages
- Increased property values and income potential
- Competitive advantage in grant applications



Long Term Benefits

- Economic development opportunities
- Improved access to remote training, higher education, telemedicine, and emergency services
- Expanded access for home security and monitoring
- Faster speeds for new TVs, 3D movies & virtual reality gaming



Q & A
