Neighbors, December 1, 2021

As you may know, there is a Town meeting scheduled for this Saturday, December 4, 2021 to vote on whether the Town should authorize a bond to build municipally-owned internet infrastructure. Unlike the previous posters, fliers and letters you may have seen, I'm not going to reiterate why I think Broadband is an essential utility for the future of the island.

Instead, I'm going to focus on one question. . . Is this a good deal for Chebeague residents?

I've been working with the broadband committee for the last 6 months and we've researched the options. The <u>proposed contract</u> for the system is available on Bev's page for anyone who'd like to see it, but I've answered that question to my satisfaction because:

- 1. Under the Federal Government's Trillion-dollar infrastructure law, Maine receives about \$2.4 billion and Broadband is an approved use of that money. Somebody in Maine is going to get a discount on the construction cost of this system because of the grants, and I would rather see our community receive that discount. Why should we have an outside contractor build a system here and receive the discount?
- 2. ConnectMaine's grants have a <u>preference for municipally owned projects</u>. If 2 similar projects were proposed and only one is Town owned, the Town owned project stands to receive a larger grant.
- 3. Under a new law in Maine, <u>municipal owned infrastructure doesn't have to pay pole make-ready costs</u>, but private contractors do. If an outside contractor installs and owns the system, they would have to build in approximately \$330,000 in extra costs, which are passed on to residents via higher monthly rates.
- 4. Axiom's rates won't increase for 4 years, which is better than the other companies who submitted bids. Axiom's monthly rates are \$59.99, \$79.99 and \$109.099 for 50/100/500 service respectively.
- 5. By owning the system, we can collectively negotiate future prices and have companies compete for our business. If we don't own the system, we end up with 1 vendor serving a majority of households and it won't be economically viable for other vendors to compete for the few remaining houses. We'd also be able to hold the provider to service standards. If they fail to serve us well, reduce service or have long repair times, we can take the contract to someone else who can do better.
- 6. Axiom will guarantee payments on the bond. Yes, there is always a risk Axiom goes out of business, but they've been around over 17 years, have built with this model in several other surrounding communities and with each passing year the bond is paid down, the risk to the Town reduces.
- 7. Once built, the system will generate enough money to pay for itself. Fiber-optic cables have been used for more than 40 years and are a stable, reliable technology, so even if newer wireless systems are developed, it will be many years before they are available on the Island.
- 8. If you don't want the fiber-optic connection, you can keep your current connection or stay unconnected. There is no requirement to take service, but please vote to approve this measure, so your neighbors will have the opportunity. Your taxes will not increase from this proposal either way.

I acknowledge I am 'from away' and I respect that each year-round resident is best able to judge their own finances. There is a cost to this proposal, but there is also a cost to not approving this proposal. If this vote fails, homes clustered together will band together and pay more to ensure future access. That disadvantages homes further from main roads, those in less dense areas and those with neighbors who don't want service. This proposal makes the internet available to all who want it, and may provide a fund for those who need but can't afford it.

This is a good deal and I will continue to work with my colleagues on the broadband committee and the Board of Selectmen to negotiate the best terms we can. Please support this effort on December 4, 2021 at 9:00 AM at the Rec Center Gym. If you have any questions, please email me at <a href="mailto:adam@kaganfamily.com">adam@kaganfamily.com</a> or call me at 917-559-3639. Thank you for your support.