

**MINUTES OF REGULAR SESSION
TELECOMMUNICATIONS ADVISORY BOARD
WEDNESDAY MARCH 10, 2010**

The meeting was called to order by Chairman Marron at 7:00 PM. Those in attendance were Chairman Marron, Vice-Chairman Boulanger, Member Freeman, City Manager Latham, Finance Director Rusteberg, L & P Director Cook, Elec Supv Stram, Fiber Splicer Vickery, Scott Bowles and three members of the public.

MINUTES

Board Member Boulanger made a motion to approve the minutes of the February 8, 2010 meeting of the Telecomm Advisory Board. The motion was seconded by Chairman Marron. All voted aye. Motion carried.

REPORTS

The first report was an update on the fiber project given by Dan Cook. As part of his report, Dan introduced Adam Vickery, who was recently hired by the city to fill the fiber splicer position. All the city linemen, the fiber splicer, fiber lineman and George Stram have recently completed a week-long training session with representatives from Corning. Formal groundbreaking for the fiber project took place Monday. Janssen Cable should begin boring for inner duct (underground conduit) tomorrow.

Next, Director Cook gave an update on the Central Office location. The signal tests that were performed at all three locations were returned as inadequate because of terrestrial interference. The current plan is to examine city property throughout the city for the possible placing of remote antennae. Then CCI will re-test said locations. The antennae can be located up to 20 miles from the fiber CO.

We are currently working out of the Rutz property on Ultraway Drive. An agreement between the City and Dwight Rutz has been finalized and is awaiting recommendation by the Telecomm Board. Director Cook reported that after studying all three locations, the Rutz property is the best option. The plan is to have a fiber line-truck, pick-up truck and splicing trailer stored on-site at the Rutz property. While the signal test at the Rutz location was poor, Scott Bowles and Director Cook are looking at ways to increase signal strength.

Member Freeman asked about the amount of surplus office space in the Rutz building. Dan replied that the server room would be in the two front offices. There would also be office space for the fiber manager and an IT technician. Member Freeman then asked Scott Bowles about the applicability of the building for our needs. Scott replied that the location is feasible.

Director Cook then gave an update on our search for a content provider for the system. Currently, Fidelity has been chosen to provide telephone service as well as assistance in the video head-end construction. Scott Bowles has found a Tier 1 data provider that is offering the City a very competitive price. The service would be a direct connection between St. Louis and 900 Walnut Street.

Chairman Marron asked about past problems in dealing with Fidelity for content. Scott replied that relations with Fidelity have greatly improved. Chairman Marron also asked about the offerings from Hometel. Both Scott Bowles and Manager Latham replied that Hometel's pricing doesn't mesh with the City business model. Hometel is offering content based on more of a retail basis rather than wholesale. In addition, Fidelity has agreed to provide phone service within 60 days of contract signing.

Scott Bowles commented on the Fidelity offering for providing video content. While the offer is very competitive, Scott is working on a plan that would make the City much more

competitive in video. However, he is unable to disclose too much information at this time. It would be a first of its kind model and is attracting a lot of industry interest.

Vice Chairman Boulanger asked about the timeline for a Council resolution concerning content providers. Scott replied that it would take the entire month of April to create a resolution for recommendation. Spectrum Engineering is busy re-tooling our proposal for NTIA grant proposal. The City plans to ask for \$1.5 million rather than \$6 million. The City has been advised by Congressman Shimkus's office to reduce the size and scope of the project.

NEW BUSINESS

Scott Bowles presented a report in regards to system electronics. A total of six manufacturers submitted RFQ's for the electronics. A panel made up of Scott, Mark, Dan, George and Jon reviewed and scored each applicant. The panel recommends that Calix be the electronics supplier. Chairman Marron asked about the specific results of the scoring. Scott replied that Calix was scored highest, followed by Motorola, then Zhone. Board Member Freeman then made a motion to approve Calix, seconded by Vice-Chairman Boulanger; all voted aye, motion passed.

Next, Director Cook gave a report on CO building leasing. The original agreement with Dwight Rutz had the City leasing his building for \$4,800 per month. We are currently looking at a tiered pricing schedule that would be back-end loaded over a period of four years. The City would also have first right of refusal towards the building purchase after four years. If the City chose to purchase the building, \$20,000 of lease payments would be applied to the purchase price.

Member Freeman asked about the rental cost on a per foot basis for the Rutz property. Additionally, how does that amount compare with the other candidates? He would like to know that information before he can make any recommendation.

Matt McKittrick, who was in attendance and owns the Toner Technologies property, asked about the suitability of his location for the CO. His understanding is that his was the only site that passed the signals test. Director Cook's reply was that while the site did pass the signals test, it did not meet other criteria.

While Director Cook was obtaining specific leasing costs, Scott Bowles and Manager Latham gave a brief discussion of service offering and pricing. The City pricing will be right at the general pricing level from existing incumbents. The City will be paying about 60% of the cost for providing data as other municipal systems, e.g., Crawfordsville, IN. In response to a question from Finance Director Rusteberg, Scott predicted that residential service would not be available until for another year, unless the resident lies along a trunk line.

After gathering the leasing information, Director Cook gave specifics about cost. The cost of renting the Rutz property will be about 57 cents per square foot. We would be paying \$4,384 per month for 7,620 square feet of space. That computes to 57 cents per square foot per month, which is \$6.84 per square foot per year. In comparison, the property on Pestalozzi is \$2.50 per square foot. Member Freeman still expressed concern about having a cost comparison of all the possible sites. Chairman Marron also was worried rental costs for the remote antennae. Director Cook replied that we are only looking at City property for that use.

After discussion, it was decided to schedule a special meeting of the Telecomm Board to consider the CO building matrix/comparison. The next meeting will be on March 29th at 19:00. Vice-Chairman Boulanger will not be present for that meeting.

Board Member Freeman made a motion to adjourn, seconded by Vice-Chairman Boulanger. All voted aye; motion passed. Meeting was adjourned at 20:12.