



# Town of Johnstown

## BROADBAND

Matt LeCerf, Town Manager

March 2023

# Overview

- The Past – What's Happened
- The Current – Where are We?
- The Future - Options



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# What's Happened

- Senate Bill – 152
  - The law excludes local governments from entering into the broadband market and prohibits most uses of municipal or county money for infrastructure to improve local broadband service without voter permission.
- April 2020
  - Referendum to Opt-Out from SB 152
    - Yes – 1972 (~80%)
    - No – 465 (~20%)



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# What's Happened

- March 2021
  - Johnstown collaborates with Berthoud, Mead, & Milliken on a Regional FRP for a Broadband feasibility study with the following focuses:
    - Inclusive – For Everyone!
    - Symmetrical High Speed
    - Reliable
    - Reasonable Cost
  - To the extent possible and feasible it would consider the following models
    - Open Access Provider
    - Public-Private Partnership
    - Regional (Authority)/Municipal Owned Utility
    - Additional Providers/Competition



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# What's Happened

- October 2021
  - Magellan Advisors Presents its findings to the 4 communities
    - Option 1 – Find a Private-Public Partnership
      - Loveland Pulse
      - Allo
      - High Line
    - Option 2 – Regional Authority may lead to effective strategy
- January 2022 – October 2022
  - 4 Towns authorized to move forward on an MOU with Allo Fiber to explore the alternatives
  - Negotiations breakdown when Allo Fiber cannot commit to a ubiquitous network – creating winners and losers on service
  - Requested discount on permitting – violation of law unless unique/comprehensive service.



# Where Are We Now?

- Opportunities and what are others doing?
  - Colorado Broadband Office will receive ~\$750M over next 3 years for grant funding and matching funds.
  - Larimer County is pursuing placing dark fiber trunklines down the section lines in the Community.
  - Conversation with Weld County about interest in a work session to find broadband solutions in our micro region.
- Franchise Agreements
  - Town is working through 2 franchise agreements for cable/internet services.
  - 1 Unclear timetable to deploy service

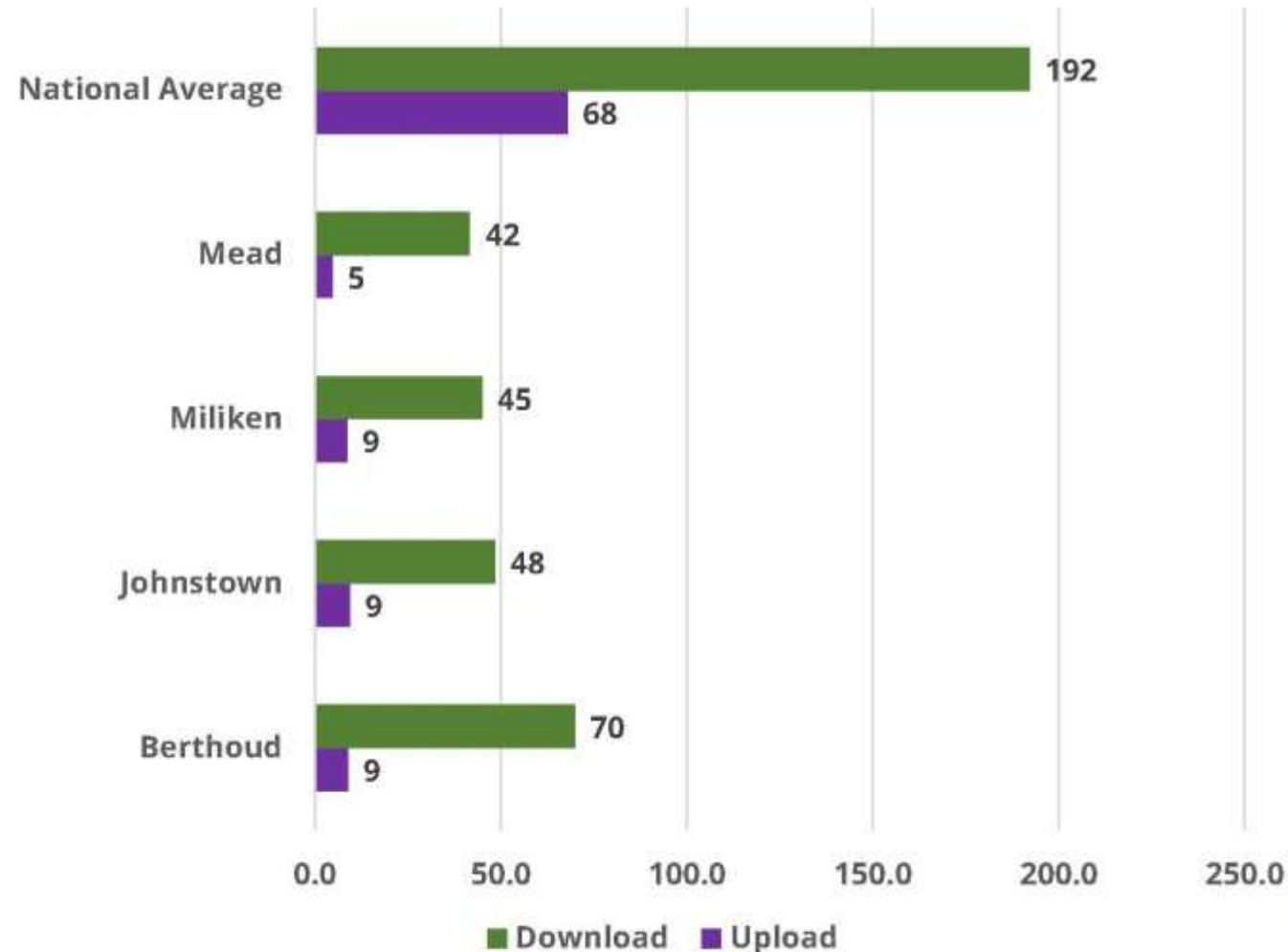


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# 4 TOWNS BROADBAND PROFILE

## WHAT SPEEDS DO RESIDENTS RECEIVE



## COMPARED TO NATIONAL AVERAGES

Residents of the 4 Towns tested their internet speeds at home and in all cases, speeds were considerably less than the national average.

Download speeds were 2-5 times less than the national average while upload speeds were 6 to 12 less than the national average.

*National Averages provided by Ookla as of 2021.*



# 4 TOWNS BROADBAND PROFILE

	Berthoud	Johnstown	Mead	Milliken
<b><u>ACCESS</u></b> % of residents that have internet access at home	98%	99%	99%	99%
<b><u>ESSENTIAL UTILITY</u></b> % of residents that believe internet access is an essential utility	96%	96%	95%	96%
<b><u>SATISFACTION LEVELS</u></b> % of residents that are somewhat or very dissatisfied with their internet service	26%	57%	41%	75%
<b><u>WILLING TO SWITCH</u></b> % of residents that said they would switch to a local provider if available	96%	97%	98%	97%
<b><u>TOP ISSUES</u></b> Most important factor contributing to dissatisfaction levels	Reliability #1 Speed #2 Across All 4 Towns			



# COSTS OF UPGRADING BROADBAND

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Broadband providers and municipalities invest in fiber to the home (“FTTH”) to provide the fastest, most reliable broadband with symmetrical speeds and to support long-term growth.

The costs of bringing FTTH to the 4 Towns is \$60 million in total capital expenditures.

	Fiber Distribution	Fiber Drops	Electronics	Vehicles	Software	Total Capital
<b>Berthoud</b>	\$ 10,371,394	\$ 3,392,820	\$ 1,050,000	\$ 650,000	\$ 1,500,000	\$ <b>16,964,214</b>
<b>Johnstown</b>	\$ 12,081,581	\$ 3,701,160	\$ 1,050,000	\$ 650,000	\$ 1,500,000	\$ <b>18,982,741</b>
<b>Mead</b>	\$ 8,512,144	\$ 1,681,020	\$ 1,050,000	\$ 650,000	\$ 1,500,000	\$ <b>13,393,164</b>
<b>Millikin</b>	\$ 6,531,338	\$ 1,858,140	\$ 1,050,000	\$ 650,000	\$ 1,500,000	\$ <b>11,589,478</b>
<b>Total</b>	\$ 37,496,456	\$ 10,633,140	\$ 4,200,000	\$ 2,600,000	\$ 6,000,000	\$ <b>60,929,596</b>

# The Future - Options

- Allow Franchise Agreements
  - Pros
    - Private industry delivers service to the community
    - No public funding to support the services
  - Cons
    - Cannot control level of service
    - Fiber option will probably not occur soon, if at all
- Re-engage with Allo
  - Pro
    - Fiber to the home - symmetrical
    - Private funding only
  - Con
    - No clear timetable for services to homes
    - Winners and Losers – not ubiquitous
    - May not commit if no permitting discount



# The Future - Options

- Public Sector – Authority
  - Preliminary interest exists to explore an authority from other entities
  - Pros
    - Control our destiny
    - 100% ubiquitous
    - Fiber to the home service - symmetrical
    - There may be partners (Weld, Larimer, Municipality)
    - Great economic development tool
    - Grants to help leverage the project
  - Con
    - Challenging
    - May include start up costs from participants - ~ \$1M total
    - Grants are no guarantee



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# The Future



Thoughts,  
General  
Direction, &  
Questions



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