Waterloo Town Council Meeting Special Meeting October 25, 2021

A meeting of the Waterloo Town Council was held October 25th at 5:37 p.m. at the Waterloo Historic Depot.

Member's present were:

Pam Howard/Town Manager

Katherine Hobbs Renee Duszynski/ Clerk Treasurer

Josh CaudillKen SurberGreg IddingsJess Jessup

The following business was discussed, and action taken: Unless specified all votes were unanimous.

New Business:

1. Meeting With AES:

Chris Schweitzer and Taiylor Hollis with Auburn Essential Services presented a proposal for broadband fiber. Two council members, Natalie Dewitt and Matthew Kruse, along with Spectrum Engineering and an AES employee were also present. Schweitzer introduced himself and the company, he has been with the City of Auburn for over 20 years. Hollis is new with the company and has taken a newly created position as business development director.

Schweitzer explained that in 2014 there had been discussion of bringing fiber to Waterloo. At that time it was not feasible for the town to move forward with the project since Frontier was also going to provide fiber to the town. Frontier laid fiber through the town but did not provide services to residents or businesses. In 2020 discussion of fiber with AES resumed.

Schweitzer stated that customer service with AES is a top priority. It is important to have a quick response to such an essential service. When the company first started, they outsourced some of their customer service and now take pride in it all being done in house. Howard asked Higgins, AES employee, about the life of the fiber. He stated 30-40 years, and that squirrels are the cause of most of the damages. They have all the necessary equipment as a full service outside plant team, engineer and customer care.

They are invested in multiple connections in Columbus and Chicago for network reliability. There is redundancy built in so the customer does not see interruption in fiber cuts. Several customers in Waterloo have had their services since 2015 through fixed wireless.

In 2014 the model was that Waterloo owned the fiber and AES leased and maintained the product. This is how it was done in Auburn when they started, they leased from the Electric Department. This is also the same model that Garrett is currently implementing. Howard asked if it was possible for the town to take on some of those aspects. Schweitzer stated that the passive part is a huge undertaking and the challenge is that there is a minimum scale that makes sense. Spectrum Engineering stated it has been done in towns as low as 1500-1800 in

community size. The maintaining of proper staff can be tedious, but they have seen it work in several small communities. Schweitzer stated that the relationship with Garrett in this model is very much a marriage. It could be branded as a Waterloo business powered by AES. He goes on to state "that scaling from one to thousands of customers shows that this model works." He stated that if Waterloo were to be able to get it done that would be amazing for the town. He compared it to electric companies in the early 1900's, the large companies were not providing to rural areas, so the towns were forced to do it themselves. He explained it is necessary to find a good partner to mitigate the risk.

Jessup asked about the revenue portion of the feasibility study. It was explained that it was based on a conservative take rate and that the town would collect \$16 per user.

Jessup asked about the DeKalb County Broadband Initiative. It was explained that they are planning to provide fiber to the rural underserved areas of the county. Discussion was held. Howard asked if AES is laying all the fiber? Schweitzer explained that it will be a collective effort. Some communities will own their own fiber, some do not want to own the asset so in that case AES would. Jessup asked how the program was being funded. Schweitzer explained that they have submitted grants and there will be funding from those involved. Jessup asked if Waterloo was a link into getting this project done. Schweitzer confirmed.

Rates and speeds of fiber are reviewed and discussed. Schweitzer reviewed again why a partnership would be strong and the possible next steps. Jessup asked about the flexibility in the continuum in running/owning the service/infrastructure. The current structure would have a renewal after 5 years and then annually. It is essentially wholesale. Discussion of possible scenarios was held. The town will gather a list of more specific things that they want to see in the proposal and present it to AES for further discussions.

Council member Matthew Kruse spoke about AES. He stated that they are proposing that the town builds it and they will provide the services. He also stated that a lot of small towns and cities have failed trying to do it on their own. Garrett is not locked in forever; they could change the model in the future if they chose to do so. They are trying to serve the whole county and do not want to try to have to compete. They will give quicker and better service than what Waterloo would be able to provide. If the town had chosen them in the first place, there would already be services available.

Council member Natalie Dewitt suggested that it might be beneficial to take a tour of the facilities.

I, Renee Duszynski, the duly qualified Clerk/Treasurer, do hereby certify that the above and foregoing is a true and exact excerpt of minutes of the meeting of the Waterloo Town Council, Waterloo, Indiana, at which a quorum was in attendance and acting throughout, and held October 25, 2021, as such appears in the official minutes of said Waterloo Town Council, in my custody.

Meeting was adjourned at 7:27 p.m.

Jess Jessup, President

Renee Duszynski, Clerk- Treasure