



Department Source: City Utilities - Water and Light

To: City Council

From: City Manager & Staff

Council Meeting Date: June 4, 2018

Re: Broadband Business Planning Work Group

## Executive Summary

In 2013, a Broadband Planning Study was commissioned by a City of Columbia and University of Missouri partnership to understand options for improving current and future broadband services within the community. Magellan Advisors was the consultant chosen to perform a Broadband Needs Assessment & Planning Study which they completed in 2014. Their two main recommendations were to implement public policy tools to assist in the deployment of fiber-optic broadband infrastructure and to develop a Broadband Business Plan to lay out the business, market, technical, and operational strategies for the City of Columbia to use in further development of its fiber optic system.

Since their 2014 report, several of the incumbent internet service providers have deployed enhanced offerings to areas of Columbia. In December of 2015 the City of Columbia contracted with Magellan Advisors to update their 2014 report. This report was completed in February 2017. Again, Magellan recommended the development of a broadband business plan to outline how to move forward in creating the opportunities that make the most impact for businesses and residents in Columbia.

At this time staff is recommending the formation of a Broadband Business Planning Work Group. The proposed working group should include city staff, City Council members and community stakeholders to begin the development of a Columbia Broadband Business Plan.

## Discussion

In 2013, the City of Columbia (Water & Light, Regional Economic Development Inc.) and The University of Missouri commissioned a Broadband Planning Study to understand options for improving current and future broadband services within the community. Magellan Advisors was the consultant chosen to perform a Broadband Needs Assessment & Planning Study. With the ability to leverage Water & Light's fiber-optic network, the study examined potential opportunities for the City to expand use of this network to foster next-generation broadband services for the residents, businesses and community anchor institutions.

Magellan determined that the City may want to consider expanding its current fiber-optic network to broaden the service offerings provided throughout the community. The current network was considered an asset that could be enhanced with additional funding commitments and further build out.



# City of Columbia

701 East Broadway, Columbia, Missouri 65201

Magellan recommended that the City investigate implementing public policy tools and developing a Broadband Business Plan. Public policy such as Joint-Trenching agreements and dig-once policies were recommended. The development of a comprehensive Broadband Business Plan would lay out the business, market, technical, and operational strategies for the City to use in further development of its network. The business plan would determine total costs for construction, operation, and management of the network.

Since Magellan's 2014 report, several of the incumbent internet service providers have deployed enhanced offerings to areas of Columbia. In December of 2015 the City of Columbia contracted with Magellan Advisors to update their 2014 report. To update their report, Magellan completed a current broadband market analysis and a field verification survey.

Magellan's market analysis has determined the services that are available, providers, service level, pricing, and access levels within the City of Columbia. They have documented the privately owned networks in Columbia and created broadband maps to illustrate how Columbia is served by broadband and through which providers. Magellan met with each identified provider to document the infrastructure changes that have occurred since the previous sets of meetings. Included with this report are both previous reports from Magellan.

Over the past several years, legislative bills have been proposed to prohibit or limit municipalities from offering broadband internet services. Some of them would have prohibited municipalities from providing certain services already being provided within the boundaries of the municipality without a vote of the people. Others specified when it would be permissible for a city, town, or village to offer competitive services. None of these bills have been enacted into law as of this report.

Staff recommends establishing a Broadband Business Planning Work Group to execute the following scope:

- A. Understand current and possible future state and federal regulations governing broadband communications for municipalities
- B. Understand Columbia's fiber optic system and service offerings to customers
- C. Understand the fiber optic system and service offerings by current incumbent service providers
- D. Recommend any opportunities for public/private partnerships
- E. Formulate and recommend a Broadband Business Plan detailing the following:
  - a. The business model to be used
  - b. The market segment(s) to be served
  - c. The technology and equipment to be deployed
  - d. The operational strategies
  - e. Personnel and equipment needs
  - f. The costs for construction, operation, and management of the plan
  - g. The timeline that the City of Columbia should use for build out



h. A comprehensive financial and funding plan

A ten member Work Group structure is recommended with six appointed members, one City Council member and three Ad hoc non-voting members. The three Adhoc non-voting members could consist of:

1. One staff member from Water & Light
2. One staff member from IT
3. One staff member from REDI

Staff recommends for this work group to be comprised of a mix of representation from the following list of different potential customer user groups and other community stakeholders:

1. Residential
2. Commercial
3. Industrial
4. Incumbent service provider (fully deployed)
5. Incumbent service provider (growing)
6. University of Missouri

### Fiscal Impact

Short-Term Impact: None  
Long-Term Impact: None

### Strategic & Comprehensive Plan Impacts

[Strategic Plan Impacts:](#)

Primary Impact: Not Applicable, Secondary Impact: Not Applicable, Tertiary Impact: Not Applicable

[Comprehensive Plan Impacts:](#)

Primary Impact: Not Applicable, Secondary Impact: Not applicable, Tertiary Impact: Not Applicable

### Legislative History

Date	Action
None	None

### Suggested Council Action

Staff is looking for direction on a resolution establishing a Broadband Business Planning Work group.