

## City of Montrose

### Referred Measure A – Questions and Answers

**Question:** What is goal behind Referred Measure A?

**Answer:** In 2005, the Colorado General Assembly passed legislation which provides that before a local government may provide telecommunications services, advanced services, or cable television services, a majority of voters must approve. This legislation, in essence, considered that the manner in which local communities address the telecommunications needs is not a local issue but of statewide concern. Referred Measure A asks the electors of Montrose if they desire to regain local control over the way we shape our broadband future. A “Yes” vote for Referred Measure A returns control to our community on how the City of Montrose can best address our telecommunication needs for the future. A “No” vote on Referred Measure A will keep in place the state law that limits the ability of the City of Montrose to provide telecommunications services to its citizens.

**Question:** What is the ultimate goal for the City of Montrose?

**Answer:** In simple terms, to become a “Gigabit City”. To most this means that every premise is connected to a fiber optic network that allows throughput of data at 1 gigabit per second. This level of service is available today in several communities throughout the country at affordable rates. Communities like Cedar Falls, IA, Chattanooga, TN and Lafayette, LA are offering this level of service through community-owned networks. These communities have realized the dramatic benefits from no longer having a restriction in network speeds.

**Question:** I don’t even have a computer, why should I support this effort?

**Answer:** This effort will affect everyone in Montrose, whether you are user of advanced communication services or not. Communities that have focused on providing abundant and affordable broadband services have experienced many economic benefits. Broadband services are a critical infrastructure need for most of the employers in our community. Without adequate service available at a reasonable cost these employers are not as successful as they could be. Many believe broadband is an economic driver. If you are interested in a vibrant future for our community this is an issue that you should be interested in.

**Question:** Why can we expect a municipal government be more successful at providing these services, than private enterprise?

**Answer:** In speaking to private enterprises about this topic, we hear that small rural markets (such as Montrose) do not provide an adequate return on investment to warrant the installation of equipment to

increase service to the levels that are being asked for on a wide scale level. The incumbent providers have made substantial investments in technology that limits the services that can be provided. Fiber optic lines have been installed by incumbent providers, but their networks typically rely on copper connections for the last mile (connections to homes and businesses). This copper cabling infrastructure is in no way comparable to the service levels that a fiber optic to the premise network can provide. This is one reason that the United States has fallen to number 31 in the world for download speeds. Our previously installed copper infrastructure has not kept pace with the rest of the world.

Municipal governments have been very successful at providing services to their citizens which are of high quality and at reasonable prices. Most agree that municipal utilities are the best way to provide critical infrastructures, like water, sewer and roads. Over 300 municipalities across the country have determined that broadband is also one of those critical infrastructures that should be provided with the participation of local governments.

**Question:** What business model will ultimately be used to make Montrose a “Gigabit City” if Referred Measure A is approved?

**Answer:** There is not a “one size fits all” model that can work for every community. If our voters approve this measure we will begin a community dialog that will help us determine the right way to make Montrose a “Gigabit City”. We will evaluate those models that other successful cities have used, but in the end our system should be tailored for our unique needs. We will also engage with telecommunication providers that are currently serving our community’s telecommunications needs in an effort to develop a successful business model to address the long-term needs of our city. Developing this business model is expected to take at least four months.

**Question:** Referred Measure A states that it will not raise taxes if approved. Does that mean that we can become a “Gigabit City” without raising taxes?

**Answer:** The answer to that question will depend on the business model that is selected. Building an infrastructure to support this type of network will require additional funding. Where this funding will come from will be one of the key components in developing the business model. If the final business model contains a component of funding that increases the City’s level of indebtedness or additional funding outside of the City’s annual budget of expenditures; the request must be brought before the Montrose voters at that time for approval.