

City of Gainesville

*City Hall
200 East University Avenue
Gainesville, Florida 32601*



Meeting Minutes

Thursday, January 14, 2010

3:30 PM

GRU ADMINISTRATION BUILDING MULTI-PURPOSE ROOM

Regional Utilities Committee

*Commissioner Lauren Poe, Chair
Mayor Pegeen Hanrahan, Member
Commissioner Craig Lowe, Member*

Persons with disabilities who require assistance to participate in this meeting are requested to notify the Equal Opportunity Department at 334-5051 or call the TDD phone line at 334-2069 at least two business days in advance.

CALL TO ORDER

Present: Pegeen Hanrahan, Craig Lowe and Lauren Poe

ADOPTION OF THE AGENDA

APPROVAL OF MINUTES

090671. **Regional Utilities Committee Meeting Minutes for November 12, 2009 (B)**

RECOMMENDATION *The Regional Utilities Committee approve the minutes for November 12, 2009 as circulated.*

This matter was Approved as Recommended. The motion carried.

RUC Meeting Minutes for Nov 12 2009.pdf

RUC CURRENT ACTION ITEMS

080696. **Broadband in Older Neighborhoods (NB)**

Bob Hunzinger introduced the item and stated that staff would be speaking to two issues during the meeting. One was to discuss the legal issue that pertained to CRA and the ability to require developers to take advantage of GRUCom services. The second was to have a more general discussion on the question of the ability to receive broadband in various neighborhoods within the City.

Utility Attorney Raymond O. Manasco, Jr., made a presentation regarding the question raised by the RUC at the May 13, 2009 meeting concerning the legal issue pertaining to the CRA and its ability to require developers to take GRUCom services. Mr. Manasco advised the RUC that after much discussion and review it was staff's consensus that this was probably not doable and the suggestion was to develop a point system that would allow additional points to an applicant for funding if they use GRUCom services.

Assistant City Attorney Nicolle Shalley made the suggestion that the RUC recommend to the City Commission to refer to the CRA that GRUCom staff work with CRA staff to look at potential options that would facilitate greater broadband use in redevelopment projects.

Mayor Hanrahan asked if our transformational project grants provided any sort of incentives for broadband or for use of GRU services.

Mr. Lyons stated that the amount of transformational project applications would probably diminish quite a lot with the current economy.

Mayor Hanrahan asked if the motion he was suggesting would actually call for an analysis of where we could legally and appropriately offer incentives for including broadband in a project. Mr. Lyons replied yes, in the other utility services as well, but certainly fiber.

Mayor Hanrahan brought up the question about the provision of wireless. Ted Kellermann responded that from a business case perspective it was hard to justify. He further stated that many of the municipalities that had initiated wireless had varying levels of success, and that some had discontinued the service.

Commissioner Lowe asked what the reason was for the shutdown in other municipalities.

Ted Kellermann responded that in the case of Philadelphia, the company that was going to do it went bankrupt. Orlando turned their program down because the use was insufficient and could not justify the cost. In most cases the cost of building the network was substantially higher than the original estimates. Mr. Kellermann further added that close to the University of Florida a lot of businesses provide it free to their customers.

Mayor Hanrahan made the motion that the RUC recommend to the City Commission to refer to the CRA a request to develop incentives for use of broadband and other desirable utility services. Commissioner Lowe seconded the motion.

Commissioner Poe asked that staff include in the analysis how these incentives compare to other incentives we try to promote.

Ted Kellermann gave a presentation on the second part of the item which was to have a more general discussion on the question of the ability to receive broadband in various neighborhoods with the City. Mr. Kellermann described the various product lines GRUCom offers including broadband services. He detailed some of the broadband projects that GRUCom has worked on and the costs for those projects. He further explained that when staff was looking at federal stimulus funds the survey results indicated that almost 70% of our residents have broadband service currently. The survey was a random survey of 404 customers in the Gainesville area. The survey of outlying communities showed that in High Springs and Hawthorne 84% and 73% of existing residents had broadband service.

Mayor Hanrahan asked how the questioning on the survey was handled. Mr. Kellermann replied that the surveys included the question of the service provider. Mr. Kellermann also stated that of the people who did not have broadband only 1 indicated because it wasn't available and that 37% said they didn't need it or didn't have a computer.

Commissioner Lowe asked the difference between what GRU provides and what a company like Cox Cable or AT&T provides. Ted Kellermann explained the differences. Commissioner Lowe further asked about reliability to which Mr. Kellermann responded that since GRU is an ethernet system that does not require a modem connection, there is one less component to cause problems. Additionally, the fiber system is highly reliable. GRU resets the routers a minimum of once a year to

re-establish the connection. Commissioner Lowe stated that it looks like GRUCom's broadband appears focused on areas in the periphery of the city and not providing as much in redevelopment areas.

Ted Kellermann advised that GRUCom fiber rings the entire city and have made proposals on many of the redevelopment projects.

Mayor Hanrahan asked if staff had mapped those areas that broadband is currently just not available because they're not served by Cox, not close to an AT&T DSL system and we don't a system to them? Ted Kellermann responded that he had not mapped areas within the city limits or the GRU serving area that does not have DSL.

There was further discussion on the costs for providing the service and methods to pay for it. Mayor Hanrahan asked about establishing a special assessment district so customers could pay it on their property taxes.

MOTION: The RUC made two motions:

- 1. The RUC recommend that the City Commission refer to the CRA a request to consider developing incentives for use of broadband and other desirable utility services.*
- 2. The RUC recommend that the City Commission refer to the CRA a request to consider developing a program for utilizing CRA funds for extending GRUCom within CRA districts. This would include the consideration of special assessment districts.*

RECOMMENDATION *The Regional Utilities Commission: 1) hear a presentation from staff regarding questions raised by the Committee at the May 13, 2009 meeting; and 2) recommend to the City Commission that this item be removed from the referral list.*

This matter was Approved as Modified. The motion carried.

MEMBER COMMENT

CITIZEN COMMENT

OUTSTANDING REFERRALS

090670.

Regional Utilities Committee Outstanding Referral Status Report (B)

Topics for the next meeting were discussed. It was decided that Commissioner Poe and Mr. Hunzinger will determine which items to place on the agenda for the next meeting.

RECOMMENDATION *The Regional Utilities Committee review the Outstanding*

Referral Status Report dated January 14, 2010.

RUC Outstanding Referrals Status Report Jan 14 2010.pdf

NEXT MEETING DATE

ADJOURNMENT

The meeting adjourned at 4:40 p.m.