



CITY OF HUDSON


115 Executive Parkway . Suite 400 . Hudson, OH . 44236 . (330) 650-1799 . www.hudson.oh.us

CITY MANAGER'S OFFICE

(330) 342-1700

sschroyer@hudson.oh.us

MEMORANDUM

Date: 6/5/14
To: Members of City Council
From: Scott N. Schroyer, Interim City Manager 
Cc: Mayor Currin
RE: Broadband Infrastructure Project Update

Notes from 4/22/14 Council Workshop

My notes from the 4/22/14 Council Workshop Broadband Infrastructure presentation by Bill Hilbish, IT Manager included the following:

1. Place greater emphasis on serving Hudson's business parks/clients sooner than later.
2. Ring the city sooner with fiber (reduce from 5 years to 2.5 years) - maybe by 2016.
3. Work on a business plan & financial plan to serve business parks, residential areas, etc., to achieve a "smart community".

Technology Task Force

Immediately following the 4/22/14 Council Workshop I convened a technology task force comprised of key staff members (Bill Hilbish, Jeff Knoblauch, Kevin Powell, and Chuck Wiedie) to discuss how we can meet the expectations/desires of Council on this project. Following much discussion, the technology task force members decided the following:

1. To seek outside assistance from a broadband technology consultant to perform tasks necessary to provide a business and financial plan.
 - a. For the business and financial plan, we are interested in seeking a complete ten-year business/financial analysis that includes estimated costs for the initial build out, detailed operational expense projections, staffing cost estimates, equipment and maintenance cost estimates, service pricing analysis, service take rates, revenue estimates, income estimates, and cash flow estimates. Additionally, we are looking at the service take rate analysis to include two market segments: business and residential.
2. To work with our public power consultant (John Courtney) to identify how best to split out the costs/cost-centers of a fiber subsidiary within Hudson Public Power should we decide to go in this (broadband) direction.

The mission of the Hudson City Government is to serve, promote and support, in a fiscally responsible manner, an outstanding community that values quality of life, a well-balanced tax base, historic preservation with a vision to the future and professionalism in volunteer and public service.

www.hudson.oh.us

CITY OF HUDSON

3. To revise the current 5-year broadband infrastructure plan to a 2.5-year plan (completion date Jan. 1, 2017).
 - a. Understand/evaluate the costs associated to the shorter plan.
 - b. Consider inside and outside resources (and costs) to meet the new timetable.
4. Keep working on the 2014 planned fiber installations.
5. Set up meetings with Internet service providers to discuss further the costs associated with/legal contracts, etc., to connect with Hudson's fiber.
6. Established business park fiber priorities, as follows:
 - a. Continue fiber build from Hudson water plant to Hudson Crossings.
 - b. Look to expand fiber within the Westpark business park.
 - i. Will need to have ISP on board with city to make the fiber live.
 - c. Continue fiber build to Season's Green ECO park.
 - d. Build fiber to Hudson Industrial Business Park.

Expanded Membership on Technology Task Force

It was brought to my attention recently that the Economic Growth Board had established goals recently to get broadband technologies to business parks and businesses throughout Hudson. As such, understanding the importance of leveraging the resources on the Economic Growth Board for this project, on May 21st I attended their monthly meeting to find out more about their broadband goals.

At the conclusion of the broadband topic discussion, it was mutually agreed upon by the members of the Economic Growth Board that they would like to offer their assistance as an advisory group to the technology task force. On June 4th, I met with Mr. Ted Cowie and Mr. Chuck Wiedie to discuss the Hudson Economic Growth Board's participation in the broadband project. Mr. Cowie indicated that Mr. Beesley and Mr. Curley would be joining him on this project as well. Following discussion, it was determined that the Economic Growth Board members would add value to the City's broadband technology project. Therefore, City staff will collaborate with the Economic Growth Board members on future broadband discussions, meetings, and topics, as appropriate.

Project Timeline

Although we are moving forward with certain tasks on this project, before we go much farther with this project I wanted an opportunity to review the project scope and timeline with Council members to make sure we are aligned with Council's objectives and goals for this project. Therefore, the following (page 3) draft Phase 1 timeline has been created.

CITY OF HUDSON

Phase 1

Begin 5/1/14 - End 12/9/14

Tasks include:

1. Gain City Council's input on project scope and timeline.
2. Modify scope and timeline as necessary.
3. Technology Task Force to identify a select set of consultants for professional services for business and financial planning.
4. Select consultant(s).
5. Enter into contract with consultant(s).
6. Work with consultant(s) to:
 - a. Prepare/present "Smart Community" business & financial plan.
 - b. Prepare Hudson Public Power accounting structure review.
7. Revise 5-year fiber plan in coordination with staff & consultants recommendations.
8. Work with local Internet service providers to discuss terms of service, identify costs, etc.
9. Continue installing 2014 fiber as presented in previous plan.
10. Evaluate final business plan and discuss future phases as applicable.
11. Present business plan to City Council (12/9/14 Workshop) for their review and comments.
12. Identify/develop additional action steps and phases following City Council's review and comments on the business and financial plan.