



Chappaquiddick Wireless Committee

December 2, 2011 – 2:30 p.m.

Town Hall - Selectmen's Meeting Room

Minutes

Members in attendance: Roger Becker, Will Geresey, Margaret Knight, Dan Goldin, Fran Clay, Georgiana Greenough and Bob Gurnitz on the phone. Jane Varkonda was not available.

Guests in attendance: Tim Carroll, Chilmark Town Manager, Chuck Hodgins, Chilmark ZBA

Others in attendance: Bob Clay

Staff in attendance: Bricque Garber, Clerk

Ms. Greenough introduced Tim Carroll and Chuck Hodgins, from Chilmark, to discuss the status of their DAS system due to be available up-island possibly in March, 2012. Tim Carroll told the committee about their experience with American Tower for outdoor DAS. Noting that there is no current market pressure and while they originally believed there would be a financial benefit to the town, this is now unlikely. The project was begun 6 years ago and the economic situation of the country has changed. Highlights of the history:

- AT&T sued Aquinnah because they were blocked from putting an antenna in a church
- Proposal with Chilmark & West Tisbury to avoid putting up a cell tower.
- Offer from AT&T for 180' tower with \$15,000 per year income.

- Proposal came back to town before the economic downturn.
- American Tower came in and started DAS.
- Went before the ZBA
- Fiber intensive nodes (poles) – upwards of 12 lines needed right-of-way grants to roads
- Verizon & NSTAR do not have crews here (they are out of the Boston area)
- Vendors stopped working.
- AT&T signed on. 56 different nodes on all town roads (1.5 mile radius) 24 nodes in

Chilmark were permitted. Poles paid for by AT&T.

- American Tower became a utility during the process and is now also in Michigan, Rhode Island, etc. There are 3 zones nationally. The project manager for the up-island project is now in charge of the New England zone.

- 4-G is built into the system.
- There are two antennas on top of the pole.
- Verizon will not locate on other's poles. They want to be on their own equipment until everything is in place.

- AT&T, T-Mobile & PCS (merger has not yet gone through) and Verizon are the likely carriers, and they are not putting on a lot of pressure.

- NSTAR needs a “make ready” model/plan. They will bill you for replacement of all poles. During Hurricane Bob there was some updating of certain sections (mostly increasing height between 5’-10’ – they are shooting for a 44’ pole.)

- 6-pairs of fiber optic offered – not accepted.
- Hub - \$15,000 per year. Poles are \$3,000 per node.
- The town has fiber optic rights to provide wi-fi in certain public places.

Mr. Gurnitz asked if the residents of the town will have both wireless and data services. The response was that the residents will have both available.

Mr. Gurnitz then asked, “With what you have learned, what would you suggest we do on Chappy?” He said he certainly wished Chilmark had put up an antenna. And, if there was a desire to make some money for the town they would want to install a tower. Mr. Gurnitz said that this committee does not stand for the town; they want to have service and will not even consider whether the town makes a profit. They see the profit to the town is that its residents will have the service including wireless and data communication. Chuck said that American Tower may respond to an invitation. He also said trying to bring Comcast into the loop may be a death knell.

Mr. Becker asked if the Chilmark group had hired a consultant to put out a proposal. Tim Carroll responded that they hired the same consultant as Edgartown; but only one proposal was received to evaluate.

Mr. Gurnitz said that the estimated \$295,000 cost for Chappy may be doable, saying further, that a couple hundred thousand for communications on Chappy is not outrageous.

Tim Carroll further gave a short history of the Up Island system and described poles lengths, location for the Hub, hiding of poles, costs of fiber optics, etc. Noting there are not many places to hide a pole. And, further, that the system itself is very expensive. The back-haul costs are to be assumed by the carriers.

Mr. Gurnitz asked, “How many dollars do you estimate for Chilmark....overall investment?” Tim Carroll responded that he didn’t know and it is in our interest not to bring it up as we are receiving money per node. At the time of the negotiation of the original contract, which may have changed, 24 poles and the hub, Alex estimated at 3 million dollars. The break even model was to sell the system for 2 ½ times. In the initial selling model, they would go to each carrier and say they would sell it for 1 million dollars and then they would lease it to the carrier.

Whether or not they were able to sell that model to the carriers, he does not know. That was the going-in, proposition to get the cost of the system recouped. The revenue kicked in only after the system was sold.

There was a short conversation regarding RF levels from the poles v. towers. DAS, assuming four carriers, still has lower electromagnetic levels than towers.

Mr. Gurnitz asked for 3 words of advice from the visitors, for consideration in drafting the Chappy RFP. The answer was, “Keep it wide open and simple. Be flexible on making fiber available to the town. Make it a request, not a requirement.”

Mr. Gurnitz noted that Verizon service is not consistent, even with a microcell and the urgency for a wireless system is many fold, one of them is a back up for Verizon. There is an unusual situation on Chappy; wires going through fields, salty air environment, rodents chewing lines etc. and from a safety view there are areas with no service at all. There was a drowning and the lack of communication was disappointing. The public safety issues are not being addressed by any of the carriers.

It was noted that 911 can get through on microcells, and that NSTAR and Verizon are both cutting back with their service on the island – they are not maintaining their systems.

Chuck brought up the DAS as regards power failures. Each node has a battery backup system for two hours that go from node to node. Mr. Gurnitz said that with only 5 nodes, 5 backup generators does not seem outrageous. It was noted that even with the generators, it is high maintenance. American Tower has negotiated this by having 3 nodes next to public buildings so they can plug into the public building’s back-up power.

Mr. Gurnitz asked about the status of the Draft of the RFP. Ms. Greenough said she will inquire further. Mr. Gurnitz asked to get a commitment on the date for the draft to be completed, especially for the meeting in two weeks.

There was further discussion regarding fiber optics and competition and negotiation of leases.

Tim Carroll read aloud and gave Georgiana Greenough a copy of the email he received from

John Coste, American Tower regarding a possible RFP for Chappaquiddick DAS, saying he hoped they would “*get a clear picture of the intended coverage area and could determine if it were of sufficient scale to warrant the investment and resources required*”. The email highlighted four points:

- *“The Town must support the placement of new utility poles in the rights of ways for the installation of DAS nodes just as we did in Chilmark and Aquinnah. Access to the tops of NSTAR utility poles bearing primary power is prohibited by NSTAR. Pole top access is limited to secondary power-only and anchor poles with NSTAR. The FCC’s 4/11/11 Order does not remedy this as Massachusetts is a certified state but has taken no policy position on the matter. (I discussed this with David Maxson a while back). Timeframe and probability of successful appeal to the MA state regulators are unknowns.*

- *If the Town is looking at DAS as a revenue generator, not that this coupled with the underlying system costs can make the solution unmarketable to carriers, particularly in areas of low population density. If revenue generation is a consideration, the Town would be better off looking at tower siting options on Town-owned land.*

- *Size matters, as I’ve stated, and I believe at least one of our competitors has likewise evolved to minimum scale thresholds for DAS investment. Between the jurisdictional, pole owner, carrier and myriad other issues we’ve both learned the risks and timeline*

impacts associated with complicated DAS systems. A DAS provider only controls a subset of these.

• The prospect of Comcast and/or Verizon leasing dark fiber from a DAS provider to launch fiber based services to the entire Chappy subscriber market is remote, in my opinion. We have insights from a former VZ financial team member as to how they evaluate market entry. We couldn't consider this as a primary component of a DAS financial/investment model. The DAS would have to be viable based on the wireless carrier tenancy potential only."

The next meeting was scheduled for Friday, 12/16/2011 @ 2:30 PM.

The committee meeting ended at approx 4 PM.

Submitted by Bricque Garber and Georgiana Greenough