



Office of the Town Manager Town of Waldoboro, Maine

<http://www.waldoboromaine.org>
William S. Post, Town Manager

P.O. Box J
Waldoboro, ME 04572-0911
Phone: (207) 832-5369
Fax: (207) 832-6061

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ConnectME Authority
Phillip Lindley, Executive Director
Statehouse Station 138
Augusta, Maine 04333-0138

RE: ConnectME Fourth Grant Round Pre-Application Letter

Dear Mr. Lindley:

I am pleased to submit this pre-application letter on behalf of the Town of Waldoboro in partnership with Midcoast Internet Solutions for the fourth grant round of the broadband infrastructure funding program. The goal of this project is to serve the majority of the remaining residents in Waldoboro that are not served by broadband internet. Below we address the eight areas as described by the ConnectME Authority.

1. A description of the area proposed to be served by the project with a strong indication that it is an unserved area;

The areas to be served by this project are several smaller parts of the Town of Waldoboro including north Waldoboro around the Old Augusta Road and points north and to the east; sections of southeast and southwest Waldoboro particularly around the peninsulas around the Medomak River and near Duckpuddle Pond near the Nobleboro and Bremen townlines with Waldoboro and east Waldoboro around the Finntown Road and near the Friendship and Warren townlines with Waldoboro. For reference, please see the included coverage map that shows the areas currently unserved by Time Warner Cable which was provided by Time Warner.

As Town Manager, I have received 42 calls or emails from residents that live in these unserved areas over the past several months complaining that they do not have broadband internet access. Many of these residents have tried other means of obtaining service, such as through satellite and have been unsuccessful because of their locations. The stories from these residents include many that are attempting to enroll in higher education course over the internet but cannot because of the slow speeds and business owners or home-based business owners that rely on the internet wishing to expand their businesses but can't because of lack of broadband internet service.

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2. A description of the communications with nearby incumbent or existing broadband service providers for current and future plans for expansion in the proposed project area;

I have communicated directly with Tidewater Telecom of Newcastle and Time Warner Cable about expansion plans. There are no providers seeking additional coverage in the proposed project areas at this time without assistance of grant programs such as ConnectME.

3. A description of the proposed project, including: the type of service to be provided, indicating the technology used; the estimated upstream and downstream speeds of the service to be provided; and an estimate of the time required to complete the proposed project;

Midcoast Internet Solutions (MIS) intends on deploying a fixed wireless solution to the unserved parts of Waldoboro. The minimum speeds will be 2 Mbps download and 1 Mbps upload for a rate of \$40/month. Additional speeds will be made available at additional cost. The project is estimated to take 10 months to complete. All details regarding project will be submitted with the Final Application.

4. The total amount of funding requested from the Authority;

Midcoast Internet Solutions will be requesting the amount of \$113,889.35 with MIS providing matching funds near \$160,000.

5. The applicant's financial capability and commitment to the project in addition to the funding requested from the Authority and other funding sources;

MIS has been and will be contributing a mix of labor, technical skills including mapping, photogrammetry, tower climbing, construction, internet experience, insurance, equipment, and coverage of unanticipated expenses. MIS has spent about \$2,000 in labor researching options for Waldoboro using some of these skills. Insurance will be inexpensive, and unanticipated expenses could range from \$0 to \$10,000 based on our prior experience. They expect to utilize about \$30,000 to \$35,000 in labor for the project. MIS will also be adding equipment valued at about \$15,000 to the current Route 1 tower to complement the project. MIS will also be delivering Internet to Waldoboro for the project on their network at their infrastructure expense. After 50 installations, MIS will be purchasing solely at their expense any radio equipment needed to hook up customers; this is usually about \$400 average per customer. Amongst the first 50 installations, they will be supplying firewall routers for all customers at a cost of about \$30 each. Amongst the 900mhz customers in the first hundred installs, MIS will provide antennas and cabling for the 900mhz customers at a cost of about \$100 each. (5Ghz customers have integrated antennas).

6. The percentage of households in the unserved area that will have access to the new service and the estimated number of customers who will benefit from the project who are currently unserved;

According to Time Warner, their 72.46 miles of cable pass approximately 2,287 of the 2,626 housing units or about 88% in Waldoboro. Their “take rate” on services is in the 30% to 50% range. Recent data shows there are 2,626 housing units in Waldoboro. This leaves about 340 residences with no broadband service option at all, and an additional number of potential Time Warner customers who are outside the standard cable drop limit. Seasonal residents should not be overlooked in providing broadband service. Many of these individuals live and work in Massachusetts, Connecticut, New York and New Jersey and need to keep in touch with their businesses and places of employment. Broadband service would allow them to do so, thus enabling them to spend more time in town with the positive impact that has on the local economy (food, fuel, recreational activity, local services etc). In addition, there are many businesses that are not currently served by broadband internet service, some of which are stand alone structures while others are home-based businesses.

7. Public-private partnerships that have been established and an indication of community support for the proposed project; and

Midcoast Internet Solutions is working with local land owners to establish a business relationship regarding the use and their land for trade of internet services and this process is going well and all are very excited to be involved. In addition, the Town of Waldoboro and MIS are working very closely together to ensure this project moves forward. The Board of Selectmen have endorsed the project and this pre-application letter at their meetings held on January 12, 2010 January 26, 2010 which included residents in the audience that are currently not served by broadband internet service.

8. A description of the applicant’s experience relevant to the proposed project.

Midcoast Internet Solutions has successfully completed two projects that were directly involved with ConnectME including Somerville in 2007/08 and Jefferson in 2009. Both locations are using the latest in fixed wireless technology to provide maximum throughput in a non-line of sight situation. MIS intends to use this same proven technology for the unserved areas of Waldoboro. We believe this project will not only be a compliment to the existing area surrounding Jefferson, but perhaps bring broadband service to other areas of towns bordering Waldoboro that don’t have access available to them.

If you have any questions, please contact me at the numbers above or by email at townmgr@waldoboromaine.org. Thank you for your consideration and we look forward to working with the ConnectME Authority of this project.

Sincerely,

William S. Post
Waldoboro Town Manager