

HISTORY OF FIBERNET MONTICELLO

- May 2005 The City of Monticello began researching the viability of bringing fiber optics to each business and household as a means of economic development. A Fiber Optic Task Force was established for further investigation into a FTTP (fiber to the premise) project with the stipulation that such a project would not be funded by a tax levy. Task Force members included city staff, community representatives, a City Council representative, and a representative of Dain International, as lead consultant.
- December 2005 A Request for Proposal (RFP) was released for a broadband feasibility study. In February 2006, the Task Force selected CCG Consulting, LLC; Dain International; and Springsted Incorporated to jointly perform the broadband feasibility study, which consisted of a resident survey, development of a business model, analysis of operating models, legal issues, and financing options.
- September 2006 The Broadband Feasibility Study was presented and approved by the City Council. Conclusions from the feasibility and engineering studies, as well as a comprehensive survey taken by telephone, showed that it would be worthwhile for the City to pursue a FTTP project. City Council gave the go ahead to continue the process.
- May 2007 A City Fiber Optics Committee (which replaced the Task Force) began its mission of identifying all the components needed to construct, own and operate the FTTP project.
- September 2007 A city-wide referendum was held, seeking approval from City residents construct a voice switch that would provide telephone service over a city-wide fiber optic network. Over 74% of the votes were in favor of the referendum ballot question. Following the referendum, the City Fiber Optics Committee continued its mission for the next nine months: developed a comprehensive financing plan and business model; selected a business name (FiberNet Monticello) and logo; released an RFP for FTTP engineering design; hired Spectrum Engineering Corporation for design and inspection services and completion of an RFP for the initial phase of the design; initiated some of the regulatory filings for voice, data and video services; approved the governance ordinance to establish a communications entity within the City and create an advisory board; developed a marketing plan and maintained communication with City residents; selected a site for the central office building; released the RFP for the construction of the fiber optic network; and began the process of obtaining revenue bonds to finance the FTTP project.

- May 2008 The City was served with a legal challenge from the incumbent telephone provider, TDS/Bridgewater. Submissions for the construction of the fiber optic network were received but it was decided to put a hold on letting bids for the project pending the outcome of the bond sale.
- June 2008 The bond sale was successful with \$26.445 million invested in our project by private investors. As a result of the legal challenge, however, the revenue bonds were placed in an escrow account with an expiration date of one year pending the outcome of the court hearing. The City Council renewed its belief in the FTTP project by authorizing city staff to release RFPs for the Head-end (central office) Building and site grading and utilities and a RFP for a fiber backbone loop to reach a large number of commercial businesses and industries in the City.
- Summer 2008 The City let bids for the three projects: Head-end Building, grading and utilities, and fiber backbone. Work commenced.
- October 2008 Judge Jonathan Jasper of Minnesota Tenth District Court ruled in favor of the City and dismissed the charges leveled by TDS/Bridgewater in their lawsuit. TDS elected to appeal the decision with the MN State Court of Appeals and filed the paperwork with the Court in late December 2008. Work on the fiber backbone completed. Utilities to the head-end site are installed and the majority of the grading is done.
- March 2009 An agreement is signed with Hiawatha Broadband Corporation to oversee implementation and operations of the FiberNet Monticello system. Don Patten, from HBC, to serve as General Manager in Monticello. Construction on the Head-end Building continues throughout winter and is substantially complete by the end of March. The MN State Court of Appeals hears testimony from legal representatives for the City of Monticello and TDS/Bridgewater. They will have up to 90 days to render a decision.
- April 2009 The City Council appoints three citizens to serve on the FiberNet Advisory Board.
- May 2009 The City diligently works on a federal grant. A new marketing campaign is launched
- June 2 2009 The State of Minnesota Court of Appeals ruled in favor of the City of Monticello pertaining to the lawsuit filed by Bridgewater Telephone Company, Inc. The City is awaiting the decision by the Minnesota Supreme Court whether or not they will review the case.

June 16 2009

The Minnesota Supreme Court denied Bridgewater Telephone Company's petition for further review of its challenge to the City of Monticello's FiberNet project.