

TOWN OF CANAAN  
BOARD OF FINANCE PUBLIC HEARING MONDAY, APRIL 3RD, 2023, 7PM  
EMERGENCY SERVICES CENTER 188 Route 7 South, Falls Village, CT 06031  
AND VIA ZOOM

*For a complete recording of the meeting, please listen to the audio recording located on the town website under Minutes and Agendas. These minutes are not to reflect a verbatim conversation but rather a synopsis of the meeting. Please listen to the recording for a full record of the meeting.*

<https://municipal-documents.s3.amazonaws.com/uploads/canaan-falls-village-ct/board-of-finance/documents/minutes/66606/Audio%204.3.23%20Public%20Hearing%20Audio.m4a>

**Attendees:**

In Person: Steve Dean, Amy Wynn, Eric Carlson, and Dan Silverman, Chair

Via Zoom: Corinna Fleming, Joel Jones, Alternates David Wilburn and Carol Staats.

Representatives from Frontier – Joe Aresco and Michael Cicchetti

Dan Silverman, Chair, called the public hearing to order at 7:04pm and welcomed everyone to the hearing.

The hearing was held via Zoom allowing those participating via Zoom an opportunity to listen and ask questions. The public attending in person were also given an opportunity to speak.

Dan Silverman announced there would not be a formal vote tonight. The Board of Finance wanted to hear from the public to get input on the proposal by Frontier.

Amy Wynn gave a brief presentation on the current financial status of the Town of Canaan.

**Frontier:**

Greg Marlowe and Dave Barger drove the roads with Frontier to come up with a list of excluded properties which was presented.

Using the results and questions from the Community survey, Greg Marlowe asked Frontier to answer many of the questions within the survey.

- Why is the amount Frontier is requesting (\$350,000) the same now even though the mileage of lines and number of homes is much less. *Joe Aresco stated it is not a cut and dry calculation and that the cost to close the gap and include all the excluded homes will most likely not cover their costs to do so.*
- The amount in the door-to-door promotion throughout town, \$39.99, is no longer available. *It is a national program so the prices follow the National sales programs. It is now \$44.99 for the 500/500 service. On the 2gig service, the cost is now \$99.00 (which was \$149.99).*

- There is now an additional fee - \$50.00 for installation. *Joe explained the company felt having a technician come to each home to install the Eero would ensure a correct install and save the customer time. Joe added - Pricing is guaranteed for three years. They do not require a contract.*
- Will there be a cost to hook up homes more than 500 feet from the road? *Currently there is not a fee to install the drop to the home. There can always be a special circumstance which requires additional cost. Joe Aresco expects that if people sign up within 3-6 months Frontier will honor the no-fee to install. However, all is subject to special circumstances.*
- “What if it is ¼ of a mile”? *Joe stated they would have to work with the property owner for special circumstances. It really depends on how difficult it would be to get the line from the road to the home.*
- At previous hearing, included Eeros (Wi-Fi hub/modem) were one for free with the basic package, and two for free with the higher gig services. The new program only provides one Eero regardless of the program.
- Frontier reputation – *Joe and Mike stated the lawsuits were all related to the DSL service. They recognized that DSL service will not carry the company into the future, nor will the copper through the phone lines. The quality of fiber should eliminate service issues.*
- Can any of their competitors provide fiber in Falls Village? *Joe stated that is a question we would have to ask the competitors.*
- Reliability and Service – What is the difference between fiber and current lines? Per Mike Cicchetti, *Fiber runs at 99.97% reliability. The copper lines are typically running with other services which can interfere (i.e. Phone and internet). On average, clients are down about 2 hours per year.*
- Definitive statement as to why certain addresses are not covered? Joe Aresco - *At the end of the day we are a publicly traded company. We must make solid business decisions. Sometimes when we get into rural areas, some of the households we can afford to build, and some require an additional contribution from the municipality. Music Mountain is not included due to several factors – distance between poles, condition of poles, density, etc. The economics do not work in some cases.*
- Why does the number of houses keep changing? Joe Aresco – *We have a list that we start with, work with the town, try to pair the lists, and come up with a final list. Then, the engineers get in there (boots on the ground) and see different methods with a detailed design which would allow more homes to be covered. The current number of excluded homes is 59.*
- What is the benefit of fiber over copper? Joe Aresco - *Capacity, longevity, scalability, etc., are all benefits over copper. It is very future proof.*
- Survey – Greg went through the survey results. The survey results are attached to these minutes.

- Costs:

With 625 houses, Greg Marlowe stated it would be \$83 per household, per year over 7 years.

The Board of Selectmen is suggesting:

- 1) \$150,000 come from the General Fund
- 2) \$200,000 borrowed 'from ourselves' from the Reserve Accounts which have a balance over \$1mm.

The interest charged would be more than the income those funds would earn.

Another option is to go to a local institution for financing.

Greg stated the Town expects to sell 35 Railroad Street this calendar year, and those funds could be used to pay off that \$200,000.

### **Comments/Questions:**

Roxann Steinberg Whitaker – Will I lose my current copper landline with Frontier if fiber is not installed on my road? *Joe and Mike felt at some point within the next few years, that service would be phased out with the hope of converting to fiber. Joe Aresco did state he expected more fiber installation in the future, but a time frame has not been established.*

Larry Bulson asked for specifics on the cost. *It was explained the \$350,000 was to pay to have the homes on the excluded list installed with fiber optic internet. The covered homes (not excluded) are built at the expense of Frontier.*

Vincent Inconiglios – expressed the benefit to include Music Mountain and new homes on Music Mountain being built,

Henry Todd – explained many are worried about taxes and felt the tax increase would be minimal. He stated, the buildable lots left in this town, 25, are all in the uncovered areas of the village, which is economic development. Henry stated the buildable lots would be included in the \$350,000.

Jim March asked what the legal ramifications are to the Town within the Frontier contract? Henry stated it was just like hiring a contractor – we are hiring a contractor to install fiber. Henry stated the contract had already been reviewed by the Town attorney. Jim felt the process by Frontier to install their products in all but 20% of the town, was like “extortion”. Dan Silverman stated it would be up to the Board of Finance to review everything before a decision is made.

Andrea Downs – expressed concern for paying for infrastructure that the Town does not own. She suggested the contract include what the maintenance agreement would be, timeframe for repairs, etc. and suggested adding items like these to the contract and holding Frontier to very high standards.

Lee Baldwin – what other towns are requiring taxpayer funds to pay Frontier to include the entire town? *Mike Cicchetti stated no other towns have signed up yet and that we were the furthest along in the process.*

Peter Jensen asked if there will be something within the contract to protect the infrastructure the Town is paying for, along with a maintenance agreement. *The Board of Finance felt it was something that they would review. Frontier agreed it is something they could ask their attorneys to consider.*

Denise Cohn asked how many properties on the excluded list would be at an additional cost to the Town because the proposed contract has a clause stating there could be additional charges for those homes which are difficult to install. (This question was not answered).

Warren Whitaker – Board Member of Music Mountain Inc. felt Music Mountain could be well served by Fiber and could stream many of their events, which is beneficial to the town.

Ellery Sinclair – “We are in a town divided”, and noted “Frontier is not doing it for us, it is for themselves to obtain huge dividends”.

Katy Rule – felt it would be great for our town and showed we were being proactive.

Chris Kinsella – there are lines already covered by Frontier, that are two miles between the homes, (on 63 up to the Hollenbeck Club), yet Music Mountain is not covered, why? *Joe Aresco explained that there are many factors that go into calculating the cost. He did not know exactly what the answer was.*

Barbara Deinhardt – when it says 2.3% of the survey don’t have internet, is it because they chose not to. *It was noted it reflected those who chose not to have internet.*

Dale McDonald – felt the Town has a fiduciary responsibility to obtain three solid bids for this project. *Henry stated he had spoken to other suppliers and the cost would be millions of dollars. Dale McDonald asked if those bids could be shared so the taxpayers could review.*

Carol Staats – of the houses on the excluded list, how many already have access to high speed internet? *The answer was “all of them”.*

Mike Mahoney asked if we were in conversation with the High School and the entire Region 1 Board to discuss the proposal to provide a better educational experience.

Denise Cohn – Will the \$350,000 include every excluded home in Falls Village and the buildable lots Henry mentioned? *Joe Aresco – Lower Barrack Rd will be a conversation. (The question was not answered).*

Eric Carlson made a motion to adjourn at 8:47pm. Steve Dean seconded; unanimous. Meeting adjourned.

**Meeting adjourned at 8:47pm.**

Respectfully submitted by recording Secretary Denise M Cohn

Attachments:

Frontier Proposal Survey Results are posted on the website.