

1 Minutes of the Centerville City Council **work session** held Tuesday, June 16, 2015 at 5:30 p.m.
2 at the City Hall Council Chambers, 250 North Main Street, Centerville, Utah.

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4 **MEMBERS PRESENT**

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6 Mayor Paul A. Cutler

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8 Council Members Ken S. Averett
9 Tamilyn Fillmore
10 Stephanie Ivie
11 Lawrence Wright

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13 **MEMBER ABSENT** John T. Higginson

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15 **STAFF PRESENT** Steve Thacker, City Manager
16 Lisa Romney, City Attorney
17 Katie Rust, Recording Secretary

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19 **STAFF ABSENT** Blaine Lutz, Finance Director/Assistant City Manager

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21 **VISITORS** Kirt Sudweeks, UTOPIA
22 Gary Jones, UTOPIA

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24 **WORK SESSION – UTOPIA**

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26 Mayor Cutler reported that the UTOPIA board members representing the three larger
27 cities still seem interested in pursuing the opportunity to work with Macquarie, and some board
28 members seem to believe things have improved enough that outside help does not need to be
29 solicited. UTOPIA has participated in a number of forums with Google Fiber and other entities
30 interested in providing broadband. Google Fiber has not indicated a desire to pursue a
31 relationship with UTOPIA at this time.

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33 UTOPIA representative Kirt Sudweeks presented UTOPIA/UIA budget information, and
34 the objectives and performance of the original UIA five-year plan (a copy of the presentation is
35 attached). Mr. Sudweeks emphasized that member cities have not been asked to cover UIA
36 debt payments. Councilman Wright pointed out that UIA has not asked the cities to cover debt
37 payments, but has asked the cities to cover operating expenses. Mr. Sudweeks expressed
38 confidence that UTOPIA will be able to break even in the next fiscal year, no longer needing to
39 assess the cities for operating costs. Operating assessments would already be unnecessary if
40 all of the cities had been paying the assessments. Only four UIA cities are paid up on their
41 assessments. Centerville has not paid approximately \$88,000 of the amount that has been
42 assessed for operating expenses through June 2015 (\$78,000 after subtracting the City's
43 portion of the RUS settlement).

44
45 Mr. Sudweeks showed a breakdown of how the \$10 million RUS settlement will be used,
46 and stated that UIA expects to draw down the remaining \$24 million authorized in the bond
47 issue. Councilwoman Fillmore asked Mr. Sudweeks if they have considered selling the service
48 to non-member cities. Mr. Sudweeks responded that most cities would not want to participate in
49 the current debt structure. He said they are not actively pursuing business with non-member
50 cities at this time. Mr. Sudweeks and Gary Jones, also with UTOPIA, discussed current
51 UTOPIA staffing.

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53 Mr. Jones and Mr. Sudweeks explained plans to refresh the UTOPIA system
54 electronics – similar to the refresh proposed by Macquarie. He encouraged the City to notify
55 UTOPIA when open-trench opportunities with development are going to occur. Involvement of

1 the cities will be valuable in keeping installation costs down. Mayor Cutler expressed the
2 opinion that Centerville is as much a partner as any of the other cities, and should be paying the
3 assessments. He added that he is glad the assessments will be coming to an end. Councilman
4 Wright said he feels there is a governance issue with three cities having control and eight cities
5 that have no voice. Mr. Sudweeks responded that he has heard others argue that a city should
6 not have a voice at all if it is not paying assessments.
7

8 Mr. Jones described the current UTOPIA marketing plan. Councilman Averett stated he
9 recently provided his cell number by text to receive access to free WiFi at a business, and then
10 later received a coupon by text for a return visit to the business. He suggested the City and
11 UTOPIA could similarly collect numbers of users of the free WiFi in City parks as targets for
12 UTOPIA marketing. Mr. Jones agreed that city involvement has a direct impact on the success
13 of the network.
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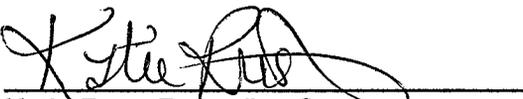
15 **ADJOURNMENT**

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17 Mayor Cutler thanked Mr. Sudweeks and Mr. Jones for meeting with the Council, and
18 adjourned the work session at 6:51 p.m.
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23 _____
24 Marsha L. Morrow, City Recorder
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7-7-2015

Date Approved

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28 _____
29 Katie Rust, Recording Secretary

