



Willard
October 15, 2020

WHAT IS UTOPIA FIBER?

UTOPIA is a Utah Interlocal Entity and political subdivision of the State of Utah

Founding Members

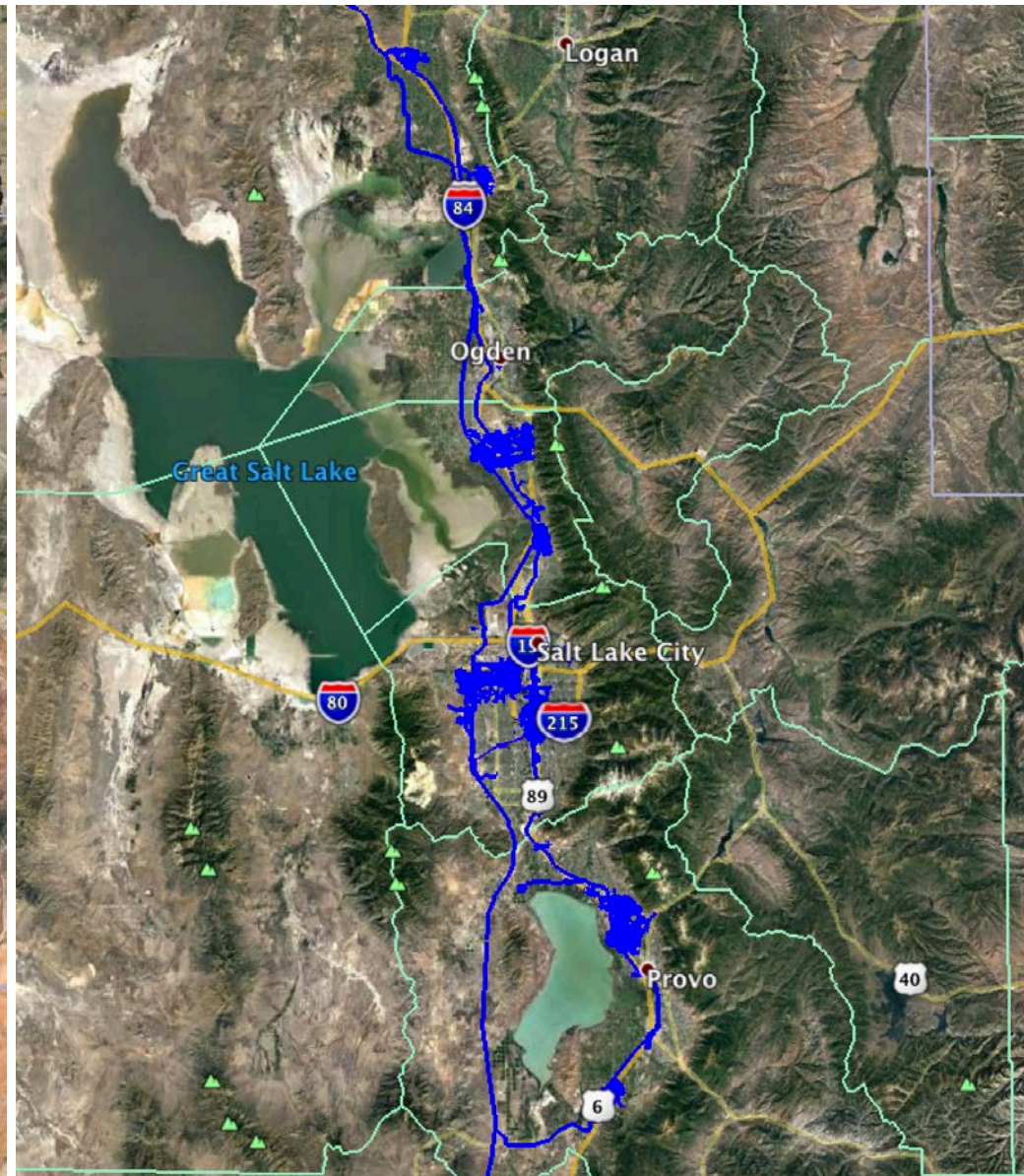
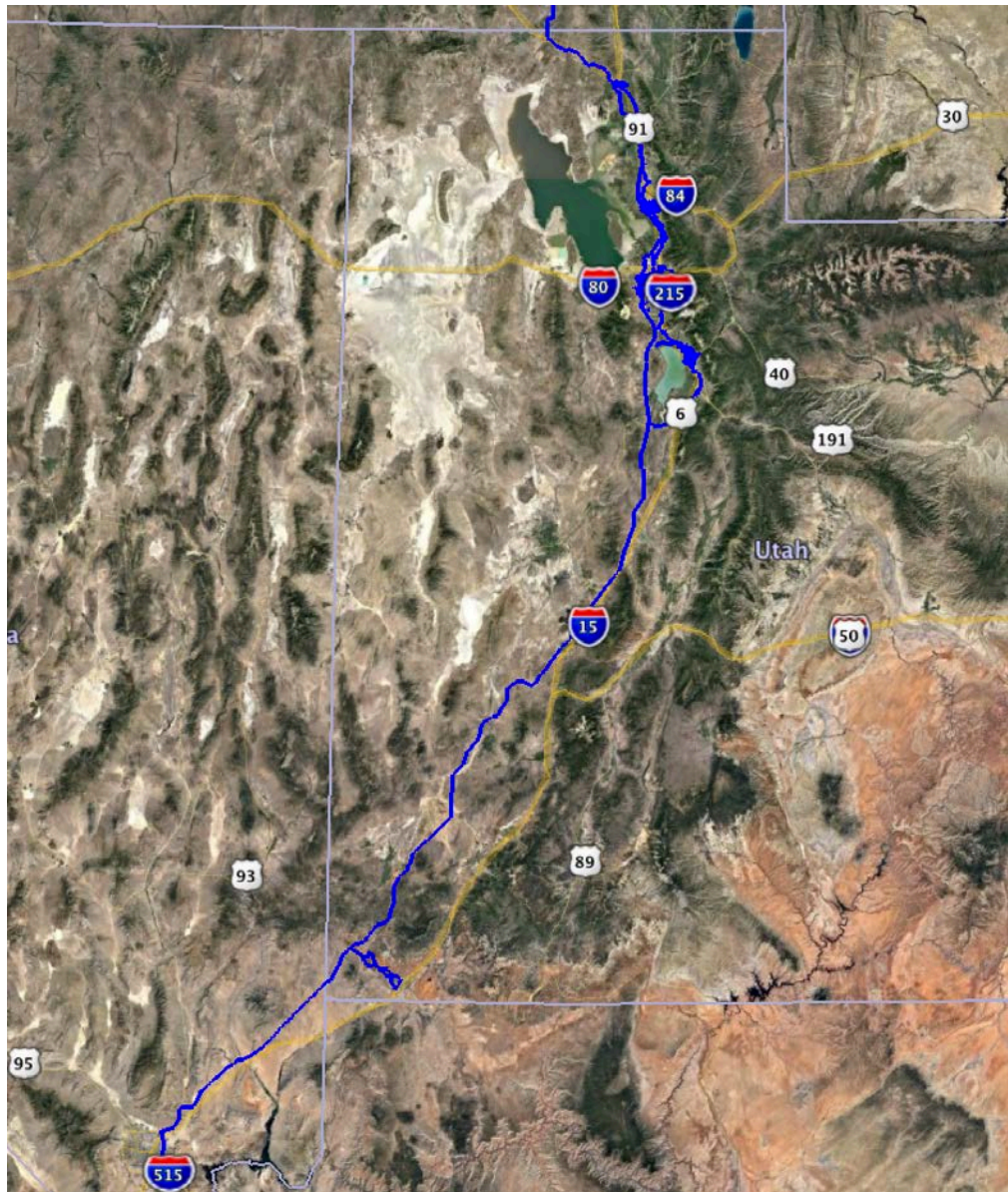
Brigham City	Centerville
Layton	Lindon
Midvale	Murray
Orem	Payson
Perry	Tremonton
West Valley City	

New Partner Cities

Woodland Hills	Idaho Falls
Morgan City	West Point
Clearfield	*****
*****	*****



WHAT IS UTOPIA FIBER?



801.613.3800 | 5858 S. 900 E. Murray, UT 84121 | UTOPIAfiber.com

WHAT IS UTOPIA/UIA FIBER?



UTOPIA - Phase 1

- Core Backbone Built
- Revenues lagged
- Higher expenses
- Few service providers

UIA - Phase 2

- Revenues exceeding debt service
- Sustainable buildouts
- Lower material and electronics costs
- Strong service provider competition



IS UTOPIA ANTI-COMPETITIVE OVERREACH OF GOVERNMENT?

- Myth spread by incumbent duopoly providers
- Utah Internet Service Providers are in favor of UTOPIA Fiber
- UTOPIA enables **private companies** and a **competitive marketplace**
 - 13 service providers depend on UTOPIA Fiber to be able to offer services
 - Most providers are local Utah-based companies
- UTOPIA public, community owned fiber infrastructure is available to all private companies, including incumbents



MUNICIPAL OPEN-ACCESS FIBER

Open-Access Roads



Municipalities provide street infrastructure that can be shared by competing private shipping companies.

MUNICIPAL OPEN-ACCESS FIBER

Open-Access Transportation Infrastructure



801.613.3800 | 5858 S. 900 E. Murray, UT 84121 | UTOPIAfiber.com

MUNICIPAL OPEN-ACCESS FIBER

Open-Access Airports



MUNICIPAL OPEN-ACCESS FIBER

Open-access Municipal Fiber Infrastructure



Open Access Fiber



801.613.3800 | 5858 S. 900 E. Murray, UT 84121 | UTOPIAfiber.com

UTOPIA FIBER SERVICE OPTIONS



\$30/mo



PROVIDER	INTERNET			PHONE*		VIDEO*	
	250 Mbps \$34.95	1 Gbps \$49.95		Beehive Phone - Self Installation \$19.95	Beehive Phone - Technician Installation \$19.95	Lifeline Video Package \$19.95 Entertainment Package \$59.95	Family Package \$49.95 Total Video Package \$99.95
	250 Mbps \$35.00	1 Gbps \$54.95	10 Gbps \$199.99	Brigham.net Phone: Voice line includes 500 minutes Free Long Distance, Caller ID, Call Waiting, Call Forwarding, Voicemail, Follow me & E-911 services. \$24.95		Yondoo TV (Contact Yondoo for pricing and plan details 877-309-4462) \$0.00	
	250 Mbps \$34.95	1 Gbps \$49.95		CentraCom Phone \$15.00			
	250 Mbps \$34.95	1 Gbps \$49.95					
	250 Mbps \$35.00	1 Gbps \$48.00		InfoWest Phone \$20.00			
	250 Mbps \$34.95						
	250 Mbps \$35.00	1 Gbps \$49.00		Monthly Phone \$20.00			
	250 Mbps \$37.00	1 Gbps \$50.00		Standard Calling \$17.99	Premium US48 \$27.98		
	Premium 250 Mbps \$35.00 Basic 250 Mbps \$30.00	Premium 1 Gbps \$48.00 Basic 1 Gbps \$40.00	Premium 10 Gbps \$200.00 Basic 10 Gbps \$170.00	Unlimited Plan (USA48) \$10.00		Yondoo TV (Contact Yondoo for pricing and plan details 877-309-4462) \$0.00	
	250 Mbps \$34.99	1 Gbps \$54.99	10 Gbps \$199.99	Veracity Phone \$9.99			
	250 Mbps \$34.95	1 Gbps \$48.95		Voonami Phone (Unlimited 48 States) \$9.95			
	250 Mbps \$37.00	1 Gbps \$50.00	10 Gbps \$250.00	XMission Phone \$15.00		Yondoo TV (Contact Yondoo for pricing and plan details 877-309-4462) \$0.00	



NOT JUST ABOUT STREAMING VIDEO

CRITICAL INFRASTRUCTURE NEEDS

- Remote Education
- Remote Work
- Tele-Health
- Smart City Applications
- Utility Metering
- Smart Grid
- Smart Transportation
- Future Technologies
- Business Connectivity
- Educational Institution Needs
- Hospitals



WHY OPEN ACCESS FIBER?

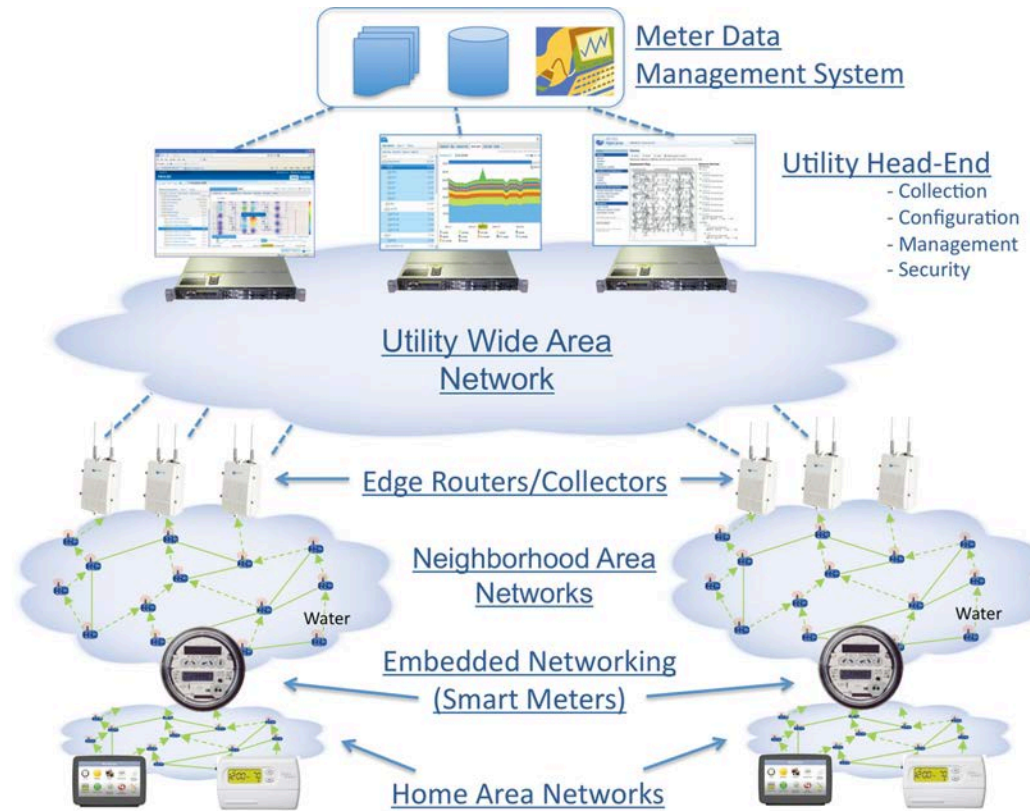
Enables Smart City Applications

- Video Surveillance
- Automated Metering Interface (AMI)
- SCADA
- Smart Irrigation
- Traffic Control
- Air Quality Monitoring
- Park Wi-Fi / Downtown Wi-Fi
- Irrigation Control
- City Meetings
- Disaster Recovery
- Smart Parking
- Smart Facilities
- Wildfire Detection/Mitigation



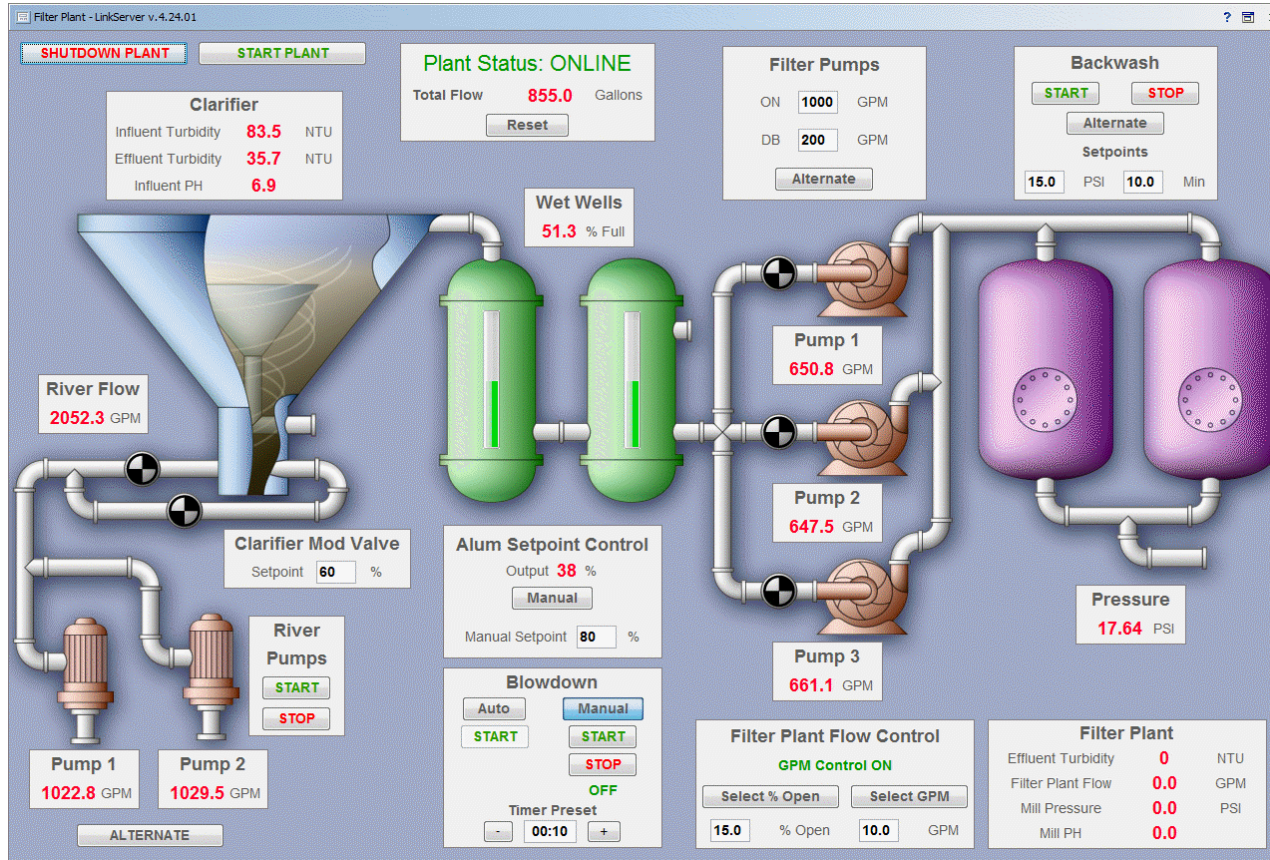
SMART CITY APPLICATIONS

Advanced Metering Infrastructure (AMI)



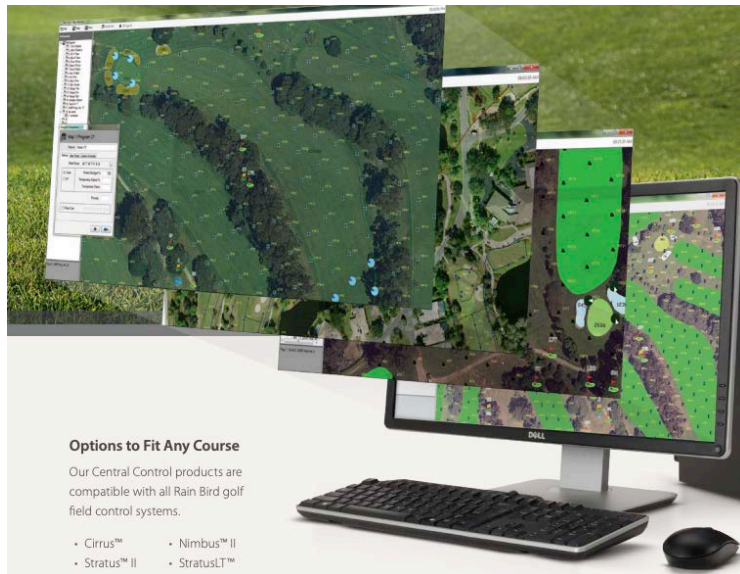
SMART CITY APPLICATIONS

NEXT-GENERATION SCADA



SMART CITY APPLICATIONS

Smart Irrigation

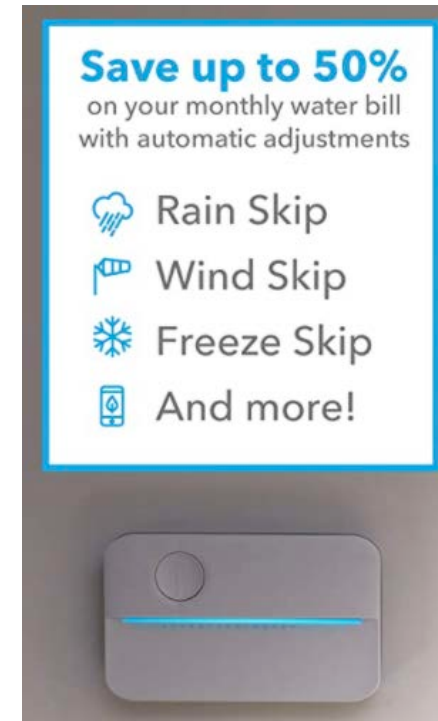


Options to Fit Any Course

Our Central Control products are compatible with all Rain Bird golf field control systems.

- Cirrus™
- Nimbus™ II
- Stratus™ II
- StratusLT™

Rainbird Cirrus



Rachio 8ZULW-C

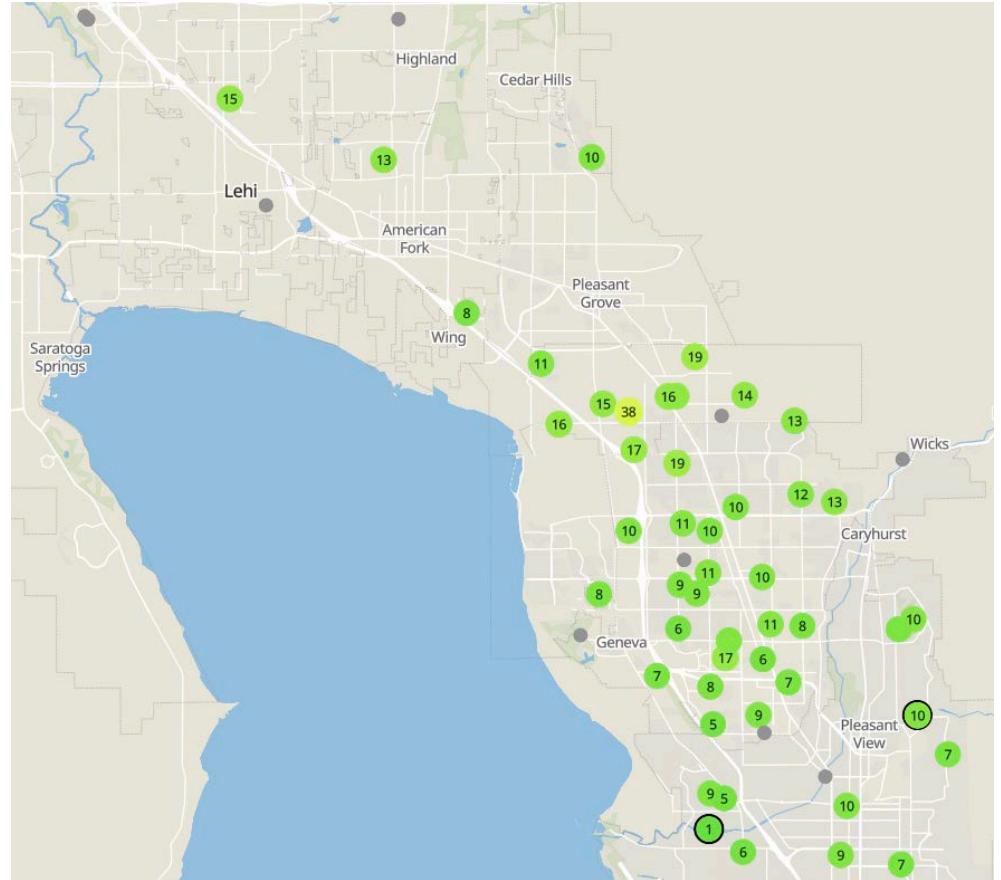


RainMachine Touch HD-16



801.613.3800 | 5858 S. 900 E. Murray, UT 84121 | UTOPIAfiber.com

SMART CITY APPLICATIONS - Air Quality Sensor Network



UTOPIA Fiber is #1 provider of PurpleAir air quality sensors in Utah, available live on purpleair.com and KSL weather.



801.613.3800 | 5858 S. 900 E. Murray, UT 84121 | UTOPIAfiber.com

SMART CITY APPLICATIONS

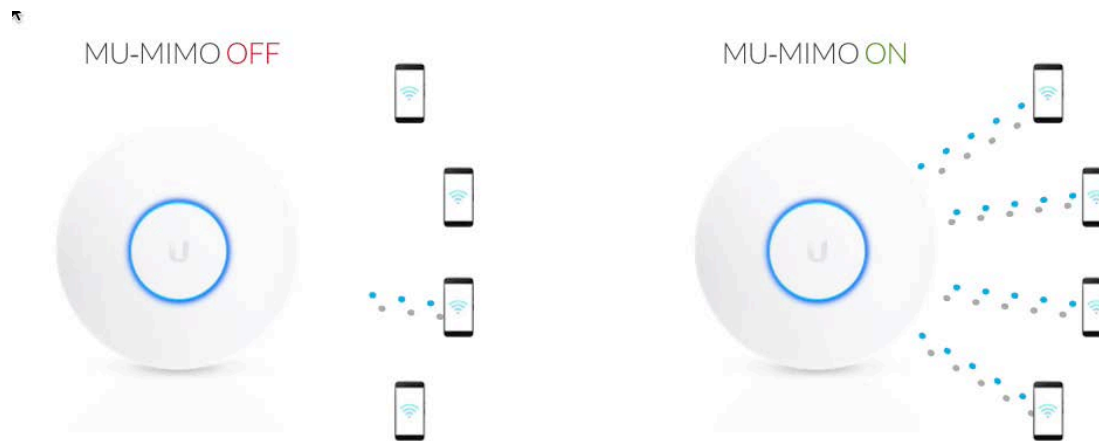
Wi-Fi Solutions

UAP-AC-HD - Ubiquiti Networks

- MU-MIMO Beamforming
- 1.7Gbps Aggregate per AP

Applications

- Park Wi-Fi
- Downtown Wi-Fi
- Public Safety Wi-Fi
- Broadband Lifeline



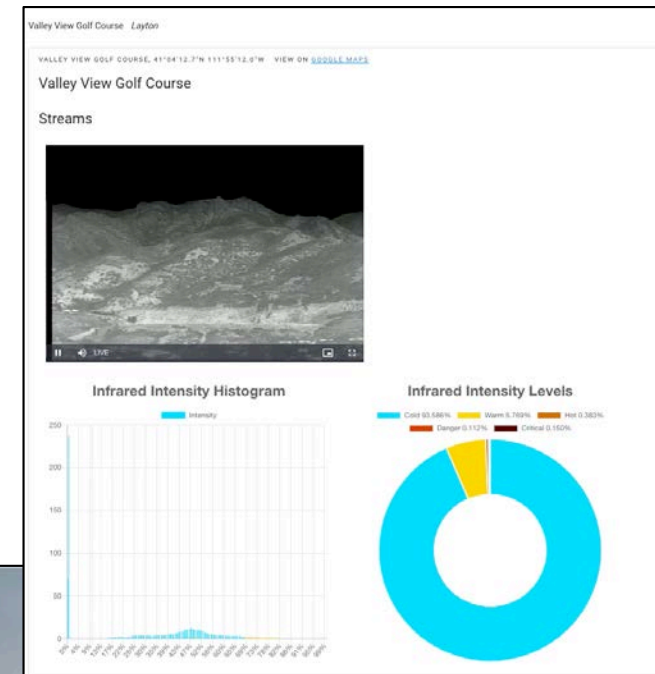
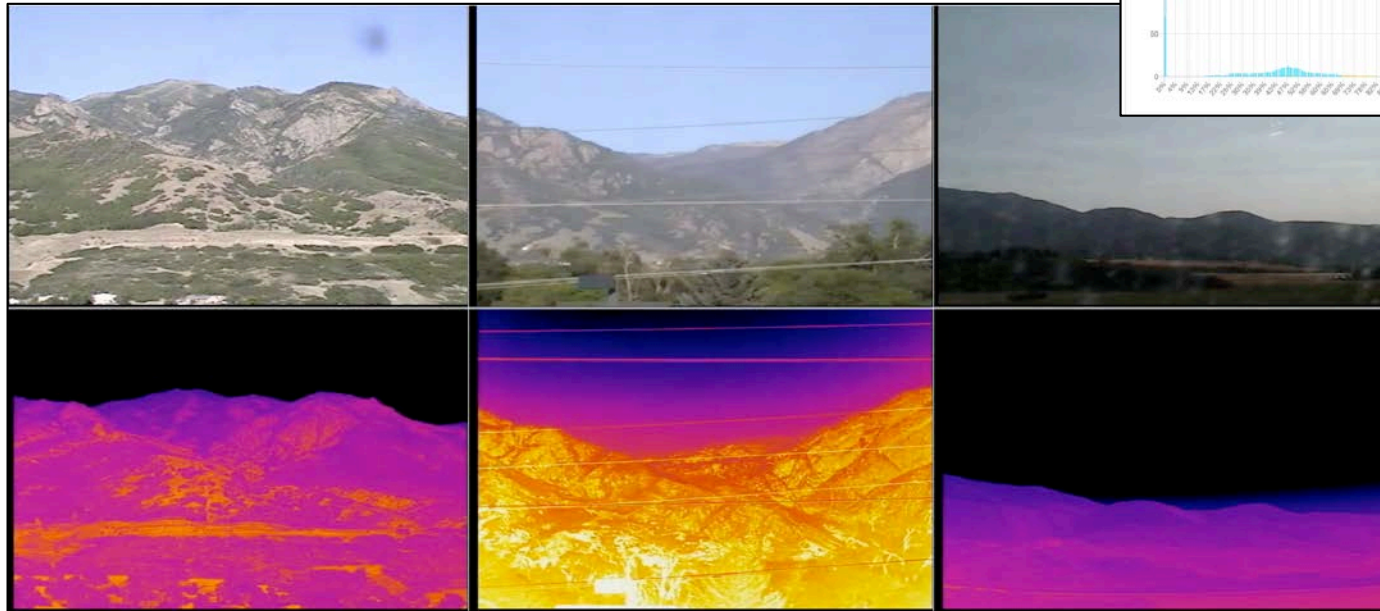
Wi-Fi 6 Solutions Being Released

- MU-MIMO Beamforming
- OFDMA
- 9.6 Gbps Aggregate per AP



EARLY WILDFIRE DETECTION SYSTEM

EDWIN PROJECT



<https://www.researchgate.net/publication/267287486> Canopy temperature of a ponderosa pine forest The relationship with environmental drivers and forest metabolism

<https://thermoguy.com/forest-fires/>



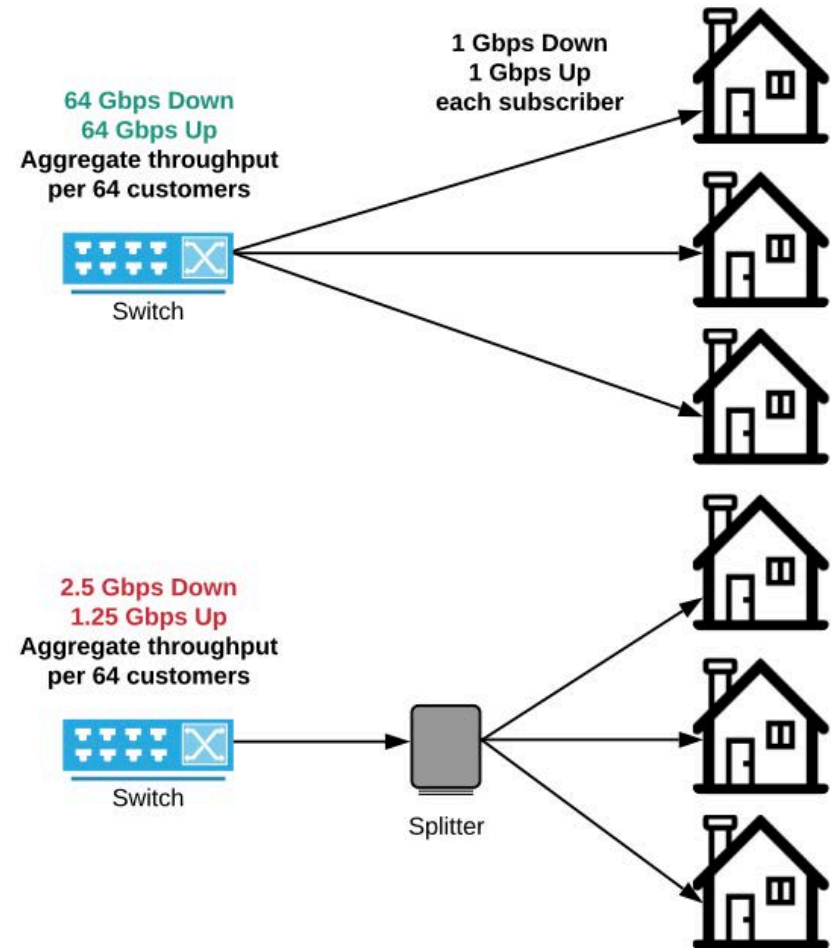
801.613.3800 | 5858 S. 900 E. Murray, UT 84121 | UTOPIAfiber.com

SUPERIOR, FUTURE-PROOF ETHERNET ARCHITECTURE

- Supports dedicated capacity per customer
- 10 Gbps now available across UTOPIA Fiber, 100 Gbps for businesses



Ethernet
Dedicated fiber capacity for every
home/business



Other Fiber Providers

- Google Fiber
- CenturyLink



CURRENT OPTIONS

ars TECHNICA BIZ & IT TECH SCIENCE POLICY CARS GAMING & CULTURE

AND PRICE HIKES, AN ICONIC DUO —

**promised not to raise prices—
guess what happened next**

accused of renegeing on "lifetime" price promise in Google Fiber city.

JON BRODWIN - 9/19/2019, 11:59 AM

FierceTelecom

AI TELECOM TECH PLATFORMS

Operators

to pay \$8.9 million in fraudulent billing case

by [Martha DeGrasse](#) | Jan 10, 2020 10:30am

PHILADELPHIA BUSINESS JOURNAL Where Philadelphia's top chefs are eating in 2020 >

Media & Marketing

to pay \$15.5M to settle class-action lawsuit over set-top box rentals

By [Michelle Caffrey](#) - Reporter, Philadelphia Business Journal
Sep 25, 2019, 1:42pm EDT

StarTribune BUSINESS

agrees to \$1.1 million in refunds in deceptive practices lawsuit

AG, cable giant settle deceptive-practices suit.

By [Mike Hughlett](#) Star Tribune | JANUARY 15, 2020 — 7:18PM

NEWSWATCH 12 KDRV.COM Watching Out For You

HOME NEWS WEATHER SPORTS VIDEO FEATURE

OREGON REACHES \$4 MILLION SETTLEMENT WITH FOLLOWING CONSUMER COMPLAINTS

The Attorney General's office said that it had received more than 1,200 customer complaints about , prompting the suit.

Posted: Dec 31, 2019 3:57 PM
Updated: Dec 31, 2019 4:06 PM
Posted By: Jamie Parfitt



801.613.3800 | 5858 S. 900 E. Murray, UT 84121 | [UTOPIAfiber.com](#)

UTOPIA FIBER CUSTOMERS



January 18 at 12:59 PM

I am trying to switch Internet providers Comcast is way expensive. I've been looking into Utopia fiber. Is there anyone in Layton that uses any of the Network they provide . And is it good?



4

22 Comments



Like



Comment



Utopia is wonderful. I will not switch back to anything else. We use Sumofiber for the actual isp and love them.

Like · Reply · 2w



4



We have used it for a few years. Love it. I would never go back to Comcast

Like · Reply · 2w



2



I have used XMission for years, and have never had a single issue. Won't ever use anything else as long as I live here.

Like · Reply · 2w



3



We have xmission and haven't had any problems. We had Comcast for many years and Xmission is alot better.

Like · Reply · 2w · Edited



6



Utopia is by far the best in the state. Had xmission for years with no issues.

Like · Reply · 2w



3



I'm a utopia + xmission user and have been for about 2 years now. No issues. No rate hikes. Fast internet! I don't plan on leaving at any point.

Like · Reply · 2w



4



I use utopia through intellipop. They are awesome. And inexpensive after the installation is taken care of

Like · Reply · 2w



1



A couple Comcast reps approached me at Walmart and asked who I have for internet. I told them I have Utopia and they were like "oh... well you have a great day then!"

That's how good Utopia is.

Like · Reply · 2w



7



I love Utopia We have had no problems. The only thing is you have to buy your own router and ours sucks. We have had to call in twice to have them fix it. And now we'll have to pay the next time for them to fix it. Do not get the Netgear nighthawk one.

Like · Reply · 2w



3



We use XMission for utopia. No problems. When we had Comcast we regularly had problems and they were more expensive for slower speeds.

Like · Reply · 2w



3



Okay thank you so much everyone!

Like · Reply · 2w



I've been with Utopia for 6 months. \$78 a month for 1gb up and 1gb down. Never had any issues with my service and speed is consistent

Like · Reply · 2w



2



With the fiber network we have in Layton, there's no reason anyone should have to deal with Comcast any longer. Get the Utopia hooked up. Choose any ISP (they're all fine) XMission and Sumo are the two I hear used most often. Had XMission for about 2.5 years. Works fantastic.

Like · Reply · 2w



3

GOOGLE RATINGS

UTOPIA Fiber is the #1 rated broadband provider in region

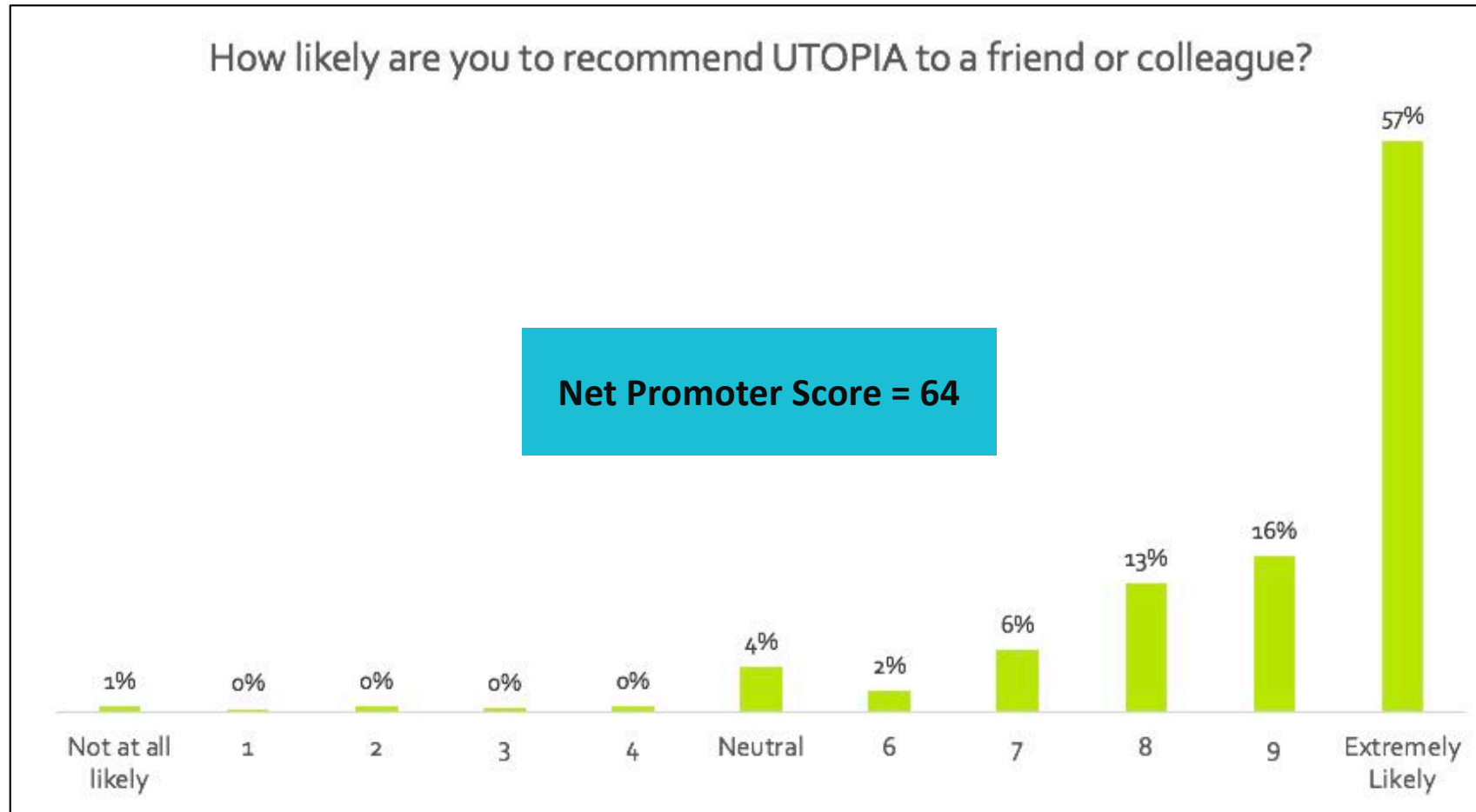
All West	2.3	★ ★ ★ ★ ★	(58)
Beehive Broadband*	4.1	★ ★ ★ ★ ★	(125)
Centurylink	1.4	★ ★ ★ ★ ★	(220)
Comcast/Xfinity	3.2	★ ★ ★ ★ ★	(608)
Centracom	2.5	★ ★ ★ ★ ★	(13)
Carbon/Emery Telecom	2.2	★ ★ ★ ★ ★	(47)
Google Fiber	3.7	★ ★ ★ ★ ★	(122)
Strata Networks	4.1	★ ★ ★ ★ ★	(245)
 Sumo Fiber*	4.4	★ ★ ★ ★ ★	(176)
 UTOPIA Fiber	4.5	★ ★ ★ ★ ★	(1,131)
 Xmission*	4.4	★ ★ ★ ★ ★	(79)

*UTOPIA Fiber partner provider



NET PROMOTER SCORE

Highest customer satisfaction



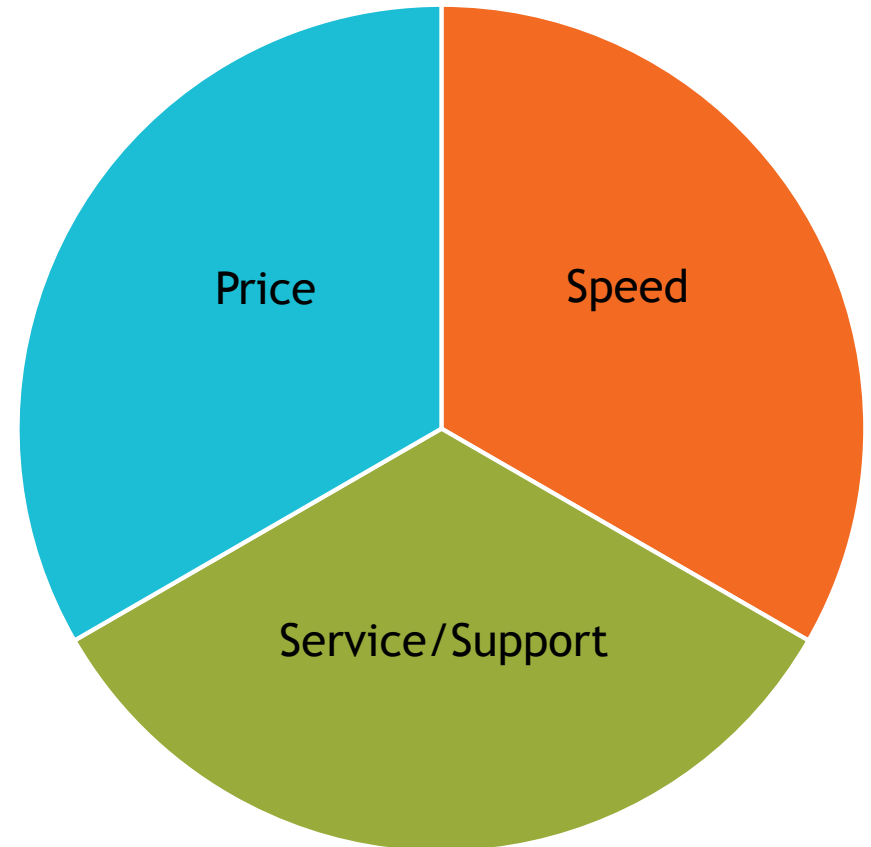
Third-party survey conducted August 2018 by Boncom



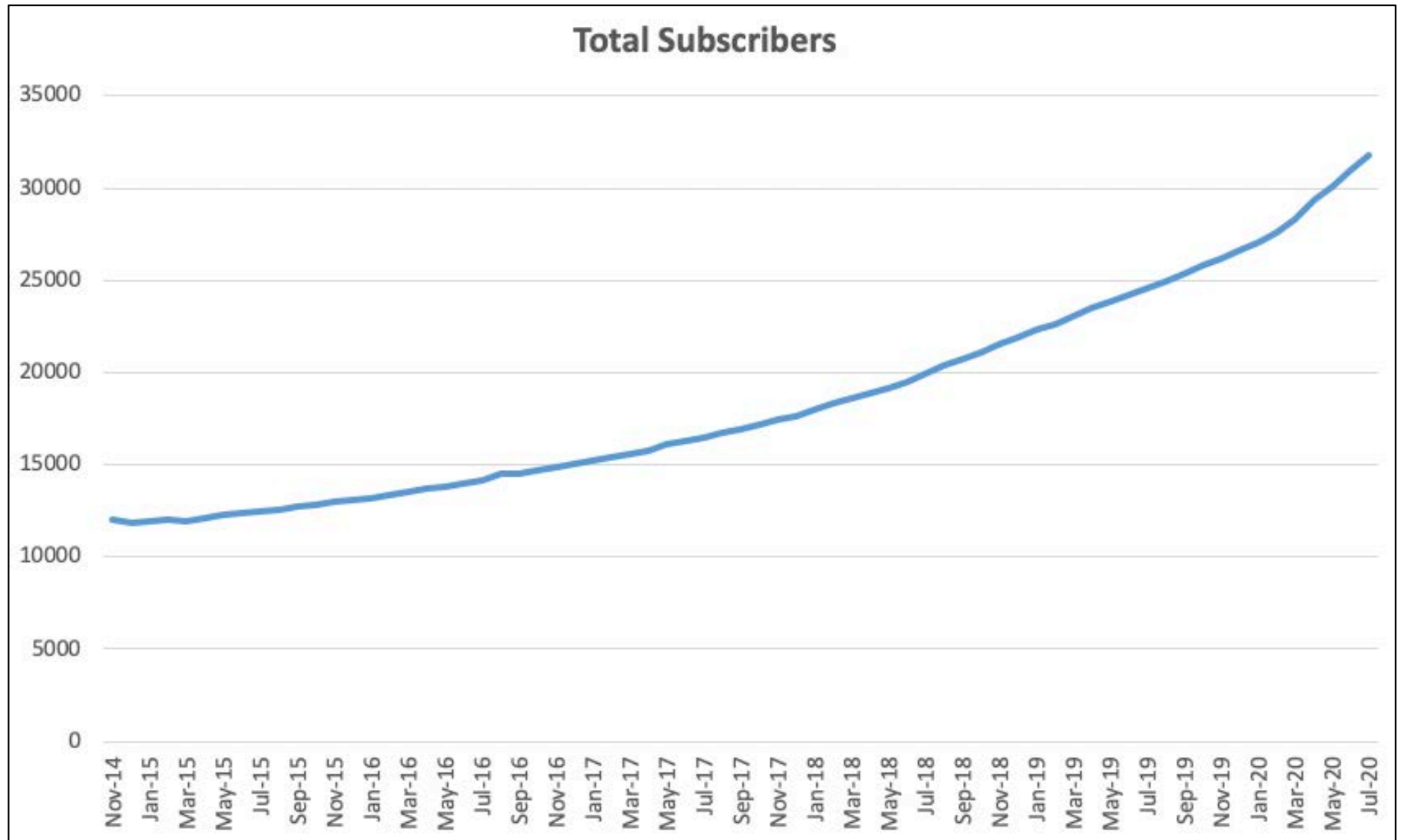
801.613.3800 | 5858 S. 900 E. Murray, UT 84121 | UTOPIAfiber.com

UTOPIA FIBER - KEYS TO SUCCESS

- Fastest in country
 - 10 Gbps Residential
 - 100 Gbps Business
- Top Rated
 - Net Promoter Score = 64
 - Google Rating - 4.5 Stars
- Best Value
 - 250 Mbps - \$65
 - 1 Gbps - \$78



Increasing Demand



Partnership with Utah Infrastructure Agency (UIA)

UTOPIA/UIA

- Finances the project (bonds for the project, and pays off the bond with no city debt)
- Receives portion of subscriber fees to cover operational expenses
 - Electronics replacement
 - Fiber maintenance
 - Utility locating
 - Repairs
 - Backbone interconnectivity
 - Network Operations Center monitoring
 - Service provider interconnectivity
 - Billing
 - Marketing

Municipality (individual or collectively)

- Services agreement based on ~40% take-rate

Risk Avoidance

- Other similar projects already successful
- City revenues, business revenues offset risk
- Increasing demand, technology advancements, 5G revenue
- Decreasing risk over time with new development, inflation, technology trends



801.613.3800 | 5858 S. 900 E. Murray, UT 84121 | UTOPIAfiber.com

Shared Risks, Costs

UIA Guarantee

Backbone fiber routes, Service provider interconnectivity, data center connections, core network facilities, operational facilities (NOC, warehouse, vehicle fleet, software/systems, etc).

City Guarantee

Incremental cost to extend throughout new city, install 40%

UIA Guarantee

Installations beyond 40%, churn replacement, expansion into new developments



Is it worth the risk?

Entire project is paid for by the voluntary subscription fees of those who choose to sign up for a better and lower cost service than what they have now. Project is financed, designed, built, operated, and maintained by UIA.

Municipality Benefits vs Risk

- Significant \$ benefit to residents and businesses in city
 - Reduced costs of services (\$27/mo average savings*)
 - Increased property values (3.1% average*)
 - Protection of net neutrality
 - Eliminate digital divide
 - Quality of life improvement
- No other municipal project brings a more dramatic and immediate change in economics and quality of life improvement than fiber
- UTOPIA/UIA partnership brings all of the benefits of fiber provider competition, top-rated services, reliability, fastest Internet speeds with **no cost, taxes, or subsidies.**

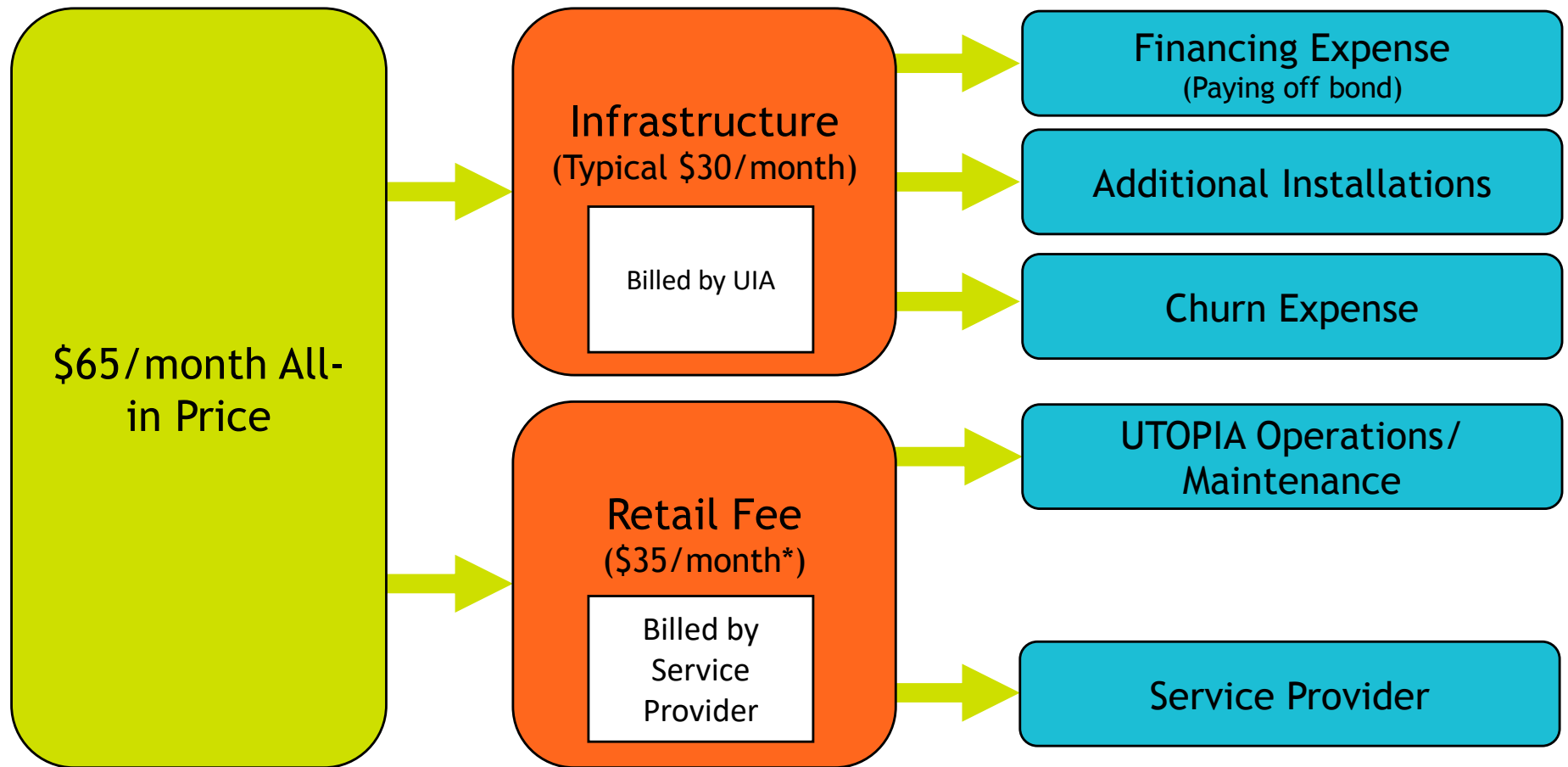
[*https://medium.com/@fiberbroadband/when-gigabit-internet-comes-to-town-it-could-mean-savings-for-consumers-4feccd69223](https://medium.com/@fiberbroadband/when-gigabit-internet-comes-to-town-it-could-mean-savings-for-consumers-4feccd69223)



801.613.3800 | 5858 S. 900 E. Murray, UT 84121 | UTOPIAfiber.com

REVENUE DISTRIBUTION OF SUBSCRIBER FEES

Example - Minimum 250/250 Mbps Internet Package, no commitment



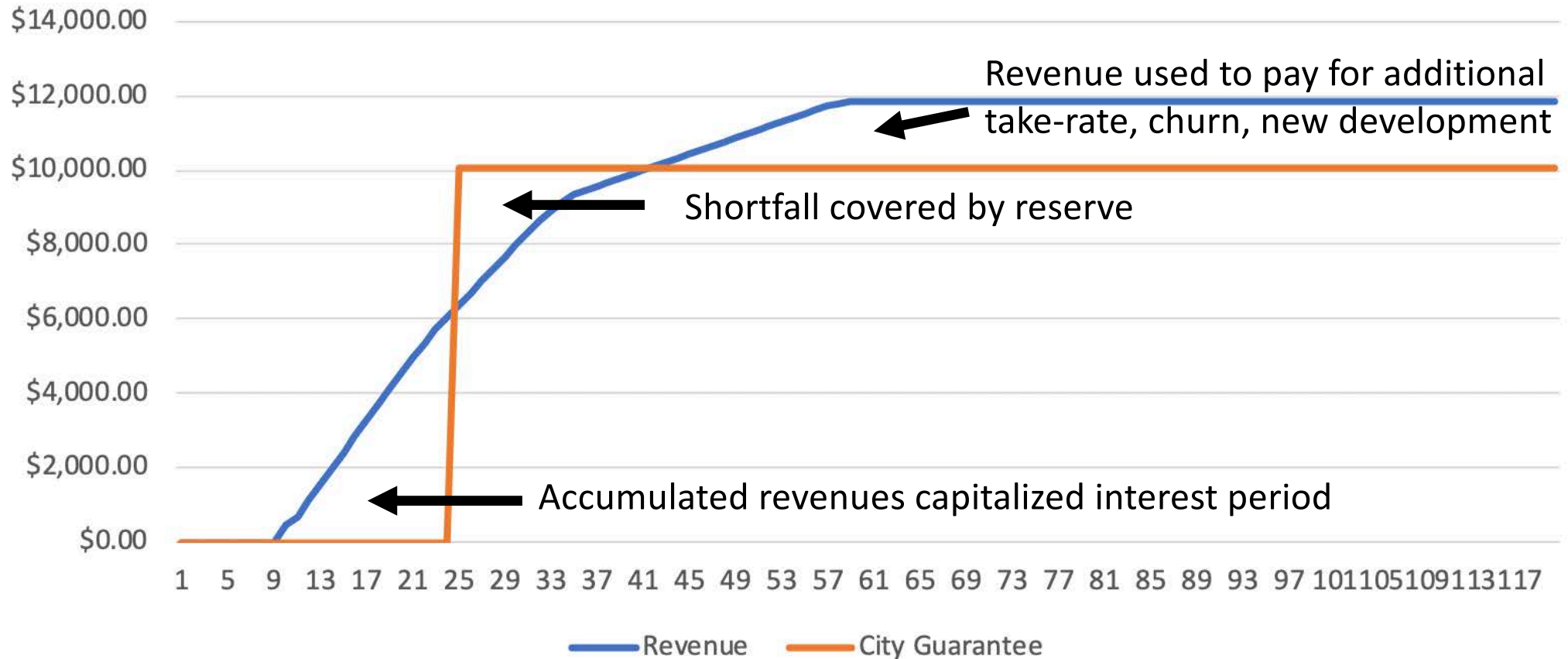
*varies by a few dollars depending on choice of provider, more for higher tiers, business



FINANCIAL MODEL EXAMPLE – CONSERVATIVE GROWTH RATE

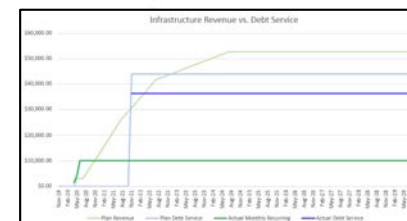
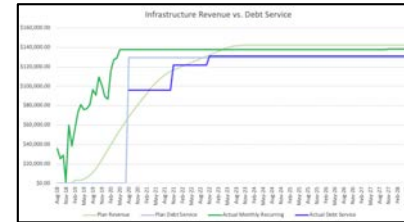
(40% AFTER 5 YEARS)

Revenue vs. City Guarantee

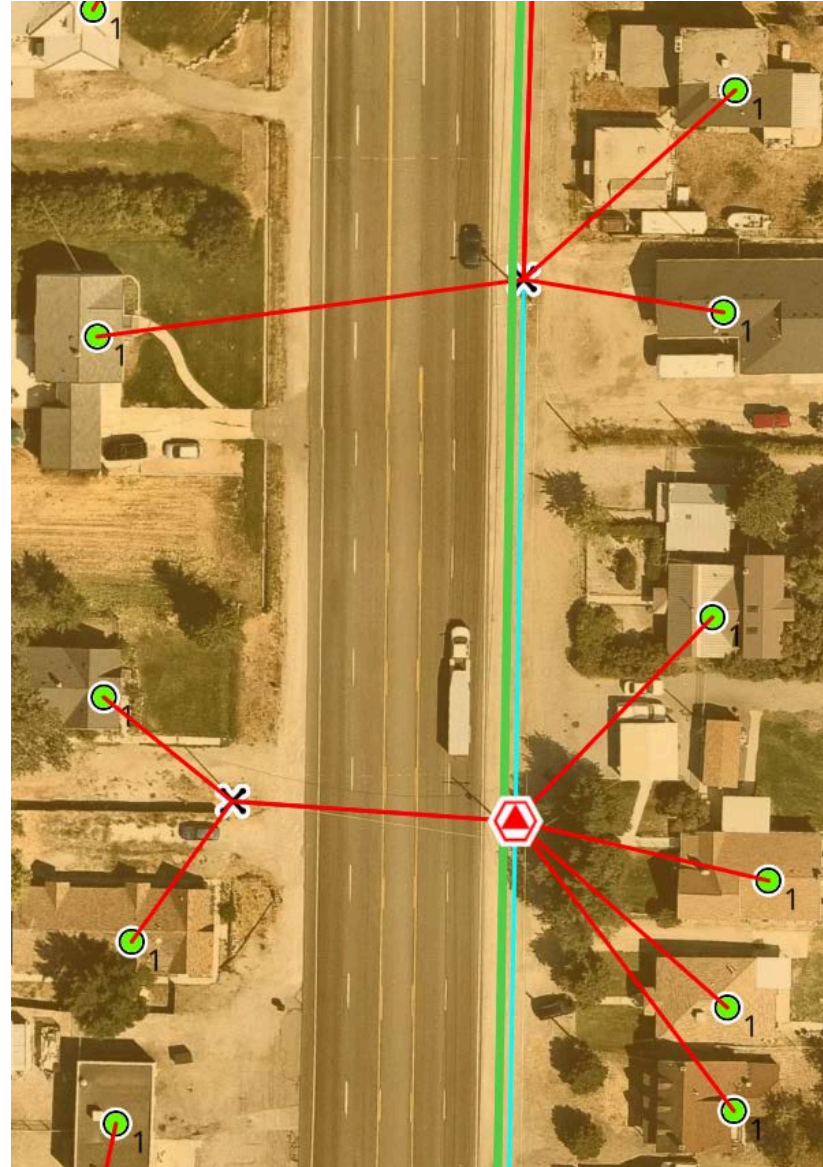
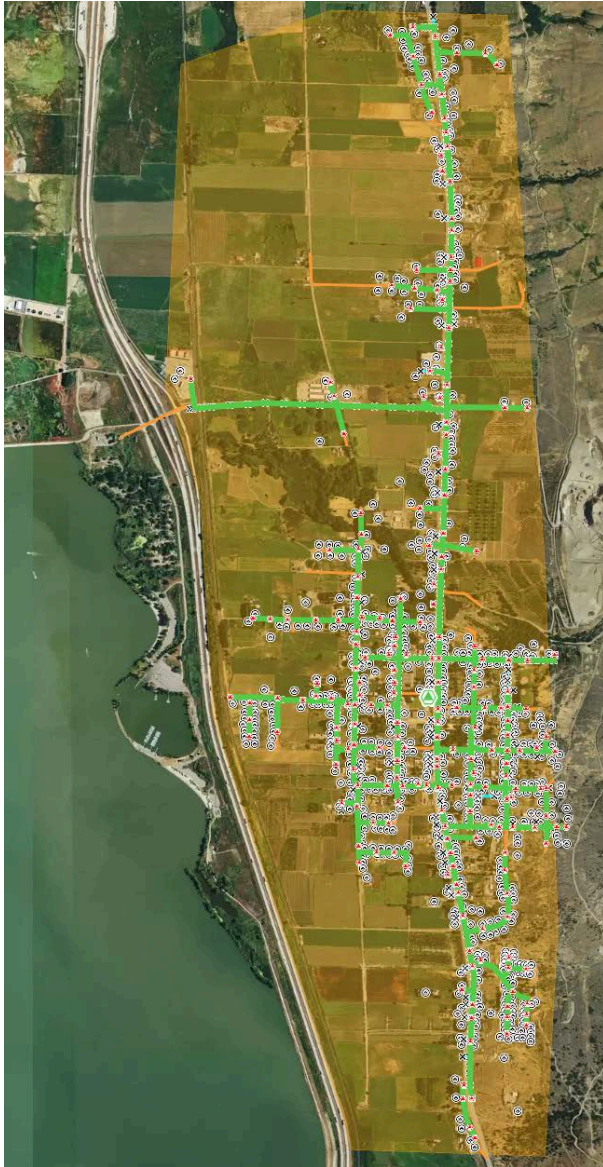


MAJOR UIA PROJECTS

- General UIA Projects (~\$170M)
 - Revenues are exceeding debt service for all projects
 - Approximately \$1.4M/mo revenues covering approx. \$1.1M/mo monthly debt service for all UIA projects
 - West Valley City, Orem, Murray, Midvale
- Layton City 2nd Half (\$23M)
 - Contract Approved - July 2018
 - Buildout Completed Marcy 2020
 - **Break-even 6 months early**
- Woodland Hills
 - Contract Approved - October 2018
 - Construction Completed March 2019
 - Current Take-rate (of actual homes) - **70%**
- Morgan City (\$2.5M)
 - Contract Approved – January 2019
 - Construction Completed March 2019
 - **Break-even 1 year early**
- Payson City 2nd Half (\$3.5M)
 - Currently under construction
 - Trending very well
- West Point (\$7.2M)
 - Currently under construction

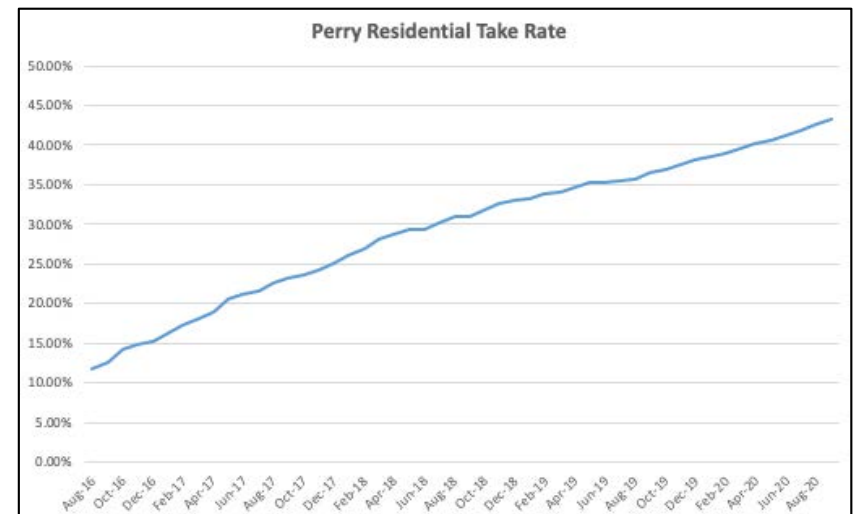


WILLARD CONSIDERATIONS



WILLARD CONSIDERATIONS

- 720 Locations Serviced
- Expenses covered at 260 residential subscribers (36% take-rate)
- \$1,114,744 initial project cost (financed by UIA)
- Additional installations, new development, churn, operations, maintenance, refreshed covered by UIA
- Nearby city take-rates
 - Perry – 43.19%
 - Brigham City – 43.31%
 - Tremonton - 37.82%
- Trends continue to improve in all cities



WILLARD CONSIDERATIONS

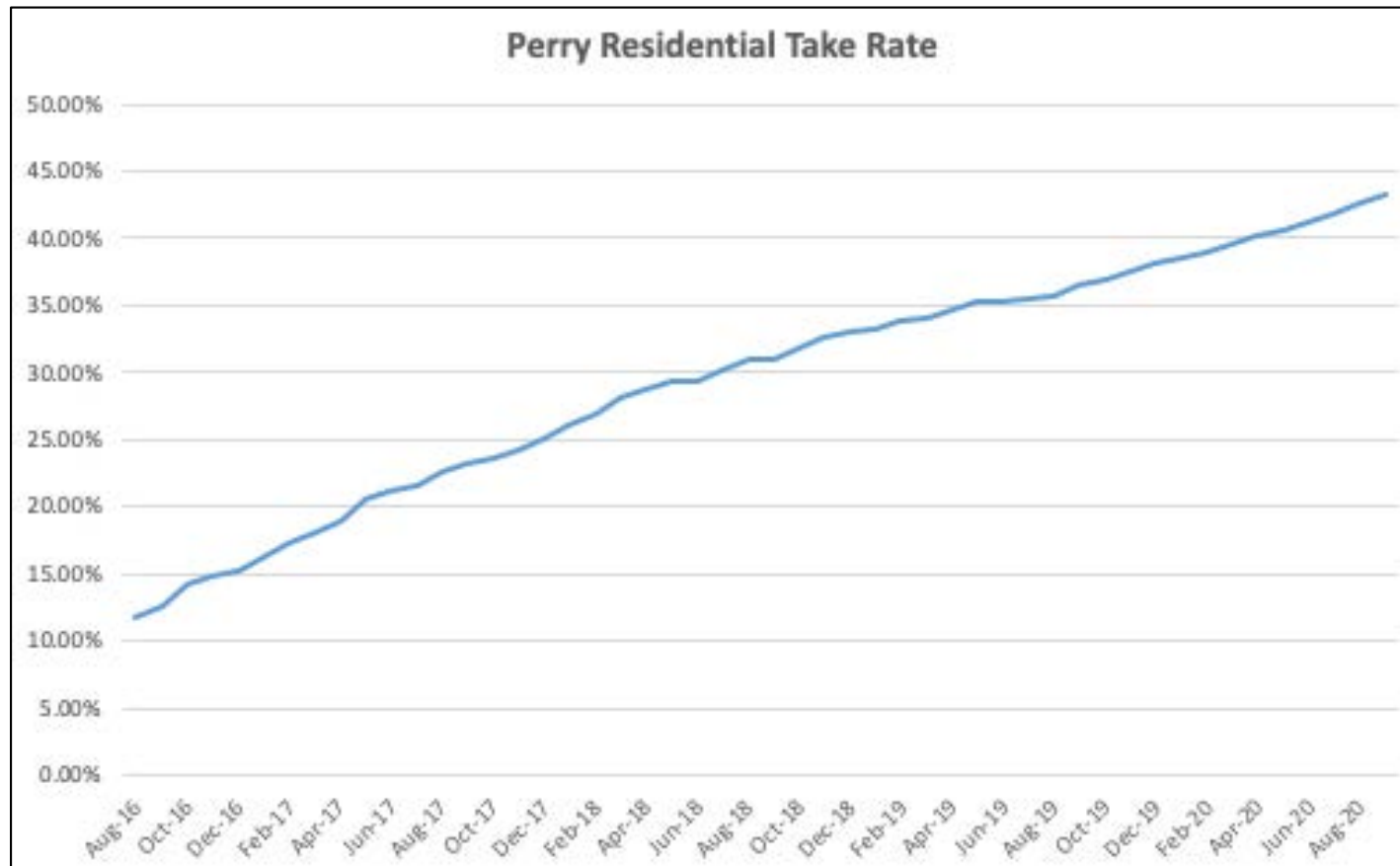
Extremely low risk project due to the following reasons:

- Nearby cities have higher than needed take-rate
- Existing UTOPIA Backbone keeps costs low
- New development expected - offsets risks, doesn't increase obligation
- Within current coverage of UTOPIA technicians and construction resources
- Within current coverage of UTOPIA service providers
- Timing/structure of commitment allows 2 years before obligation
- Fast build gives time for accumulation of revenues before obligation hits, extending ramp up period to 3-5 years
- City revenue buffers against risk
- Business, church, school buffer against risk

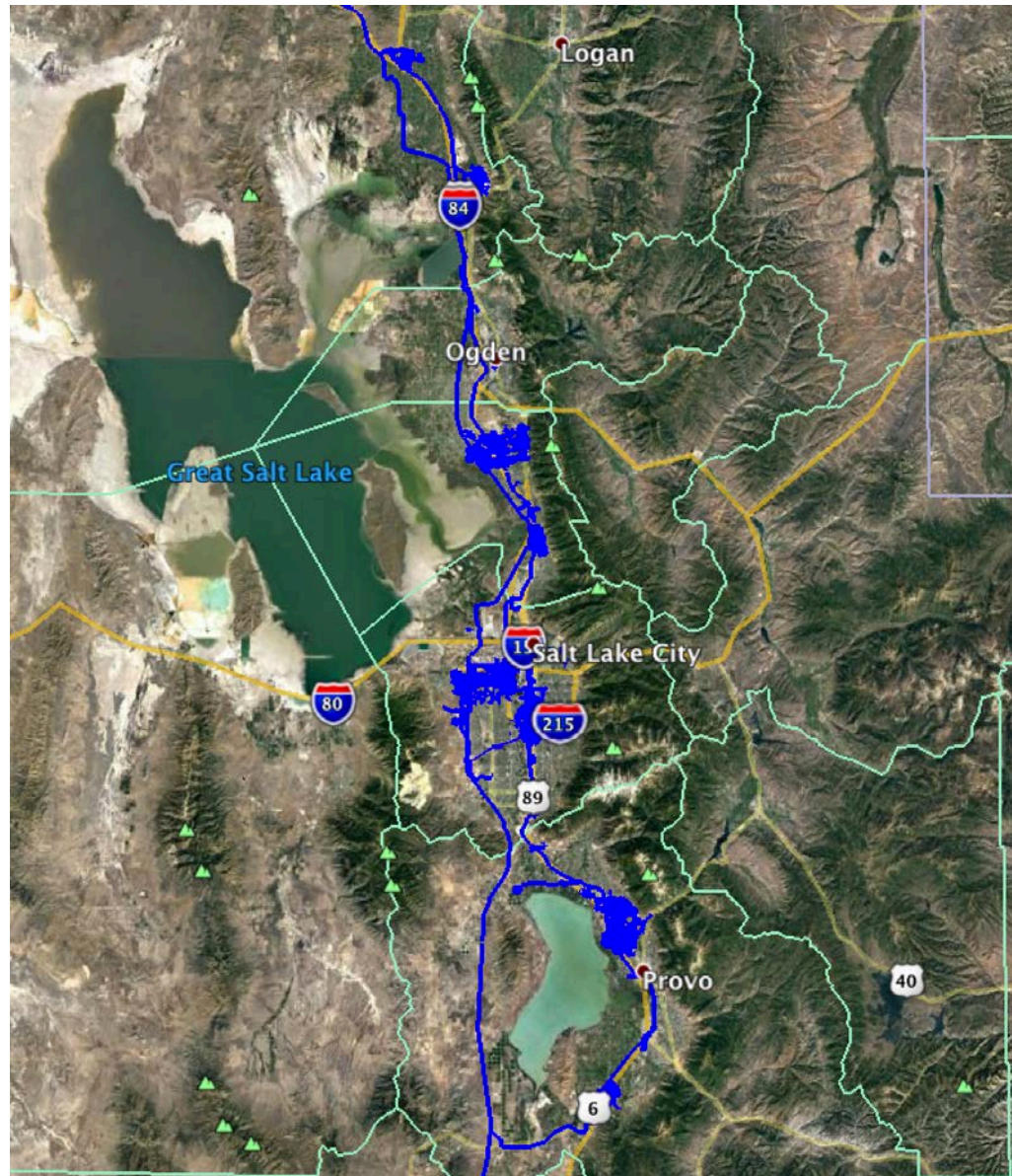


WILLARD CONSIDERATIONS

- Nearby City Trends



Existing Network – Redundant Backbone Routes



PROJECT STEPS



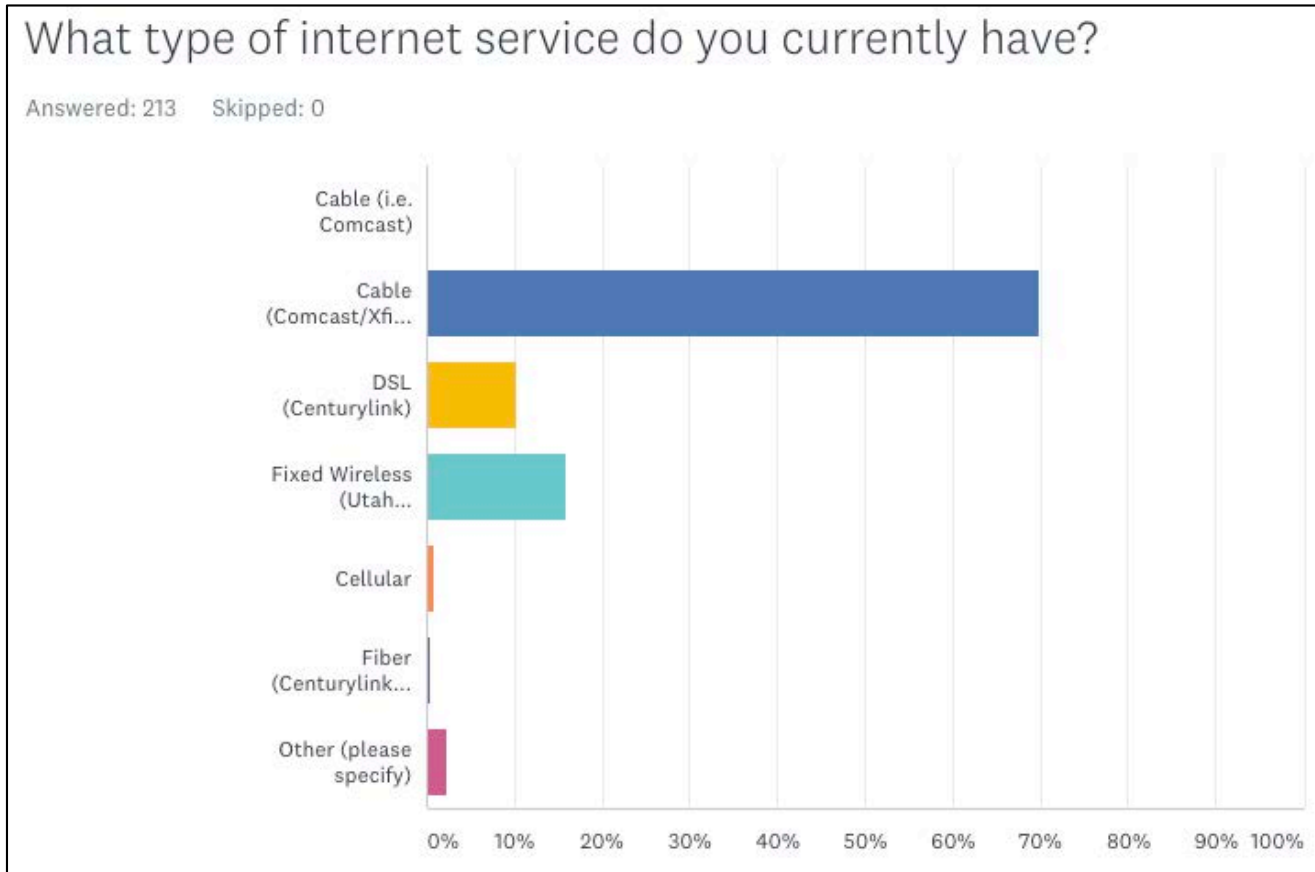
1. UTOPIA Fiber Proposal
2. RFP
3. Contract Award/Approval
4. UIA Financing of Project
5. Project Build
6. Marketing/Sales



1 years for
project
completion



SIMILAR CITY – SURVEY RESULTS



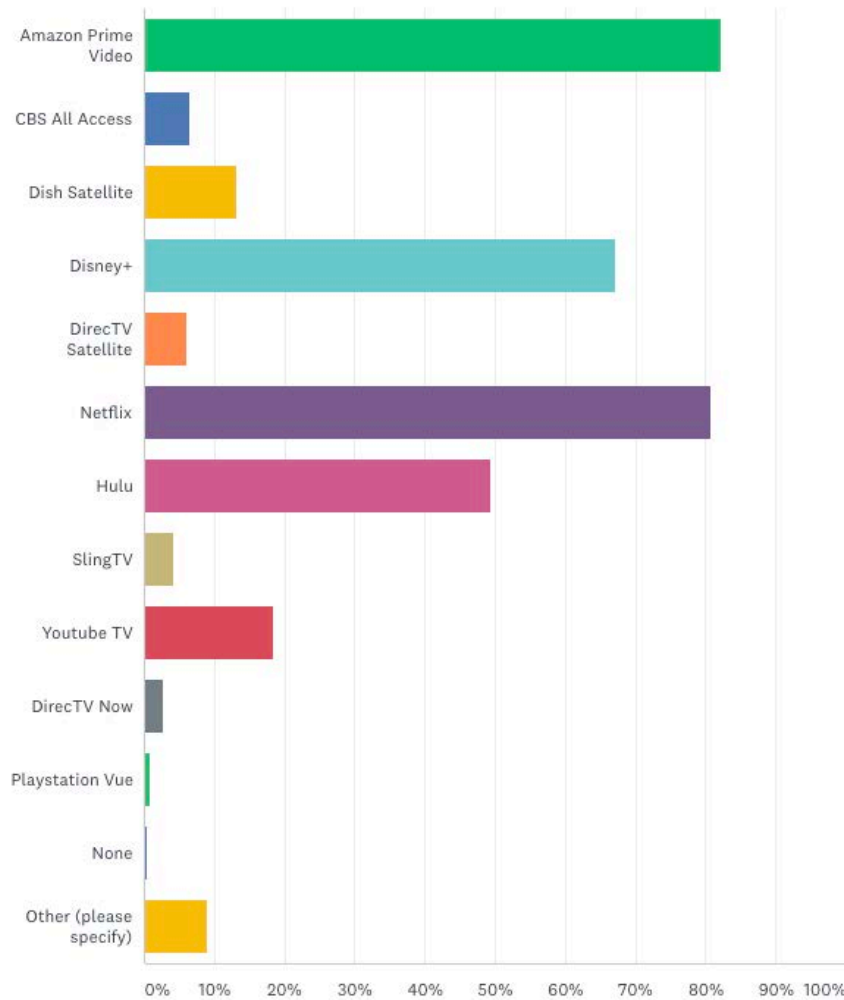
- Far more cable subscribers than typical
- No fiber options



SIMILAR CITY – SURVEY RESULTS

Which of the following Video Services do you currently have?

Answered: 213 Skipped: 0



- Especially high subscribership of streaming services (younger population)



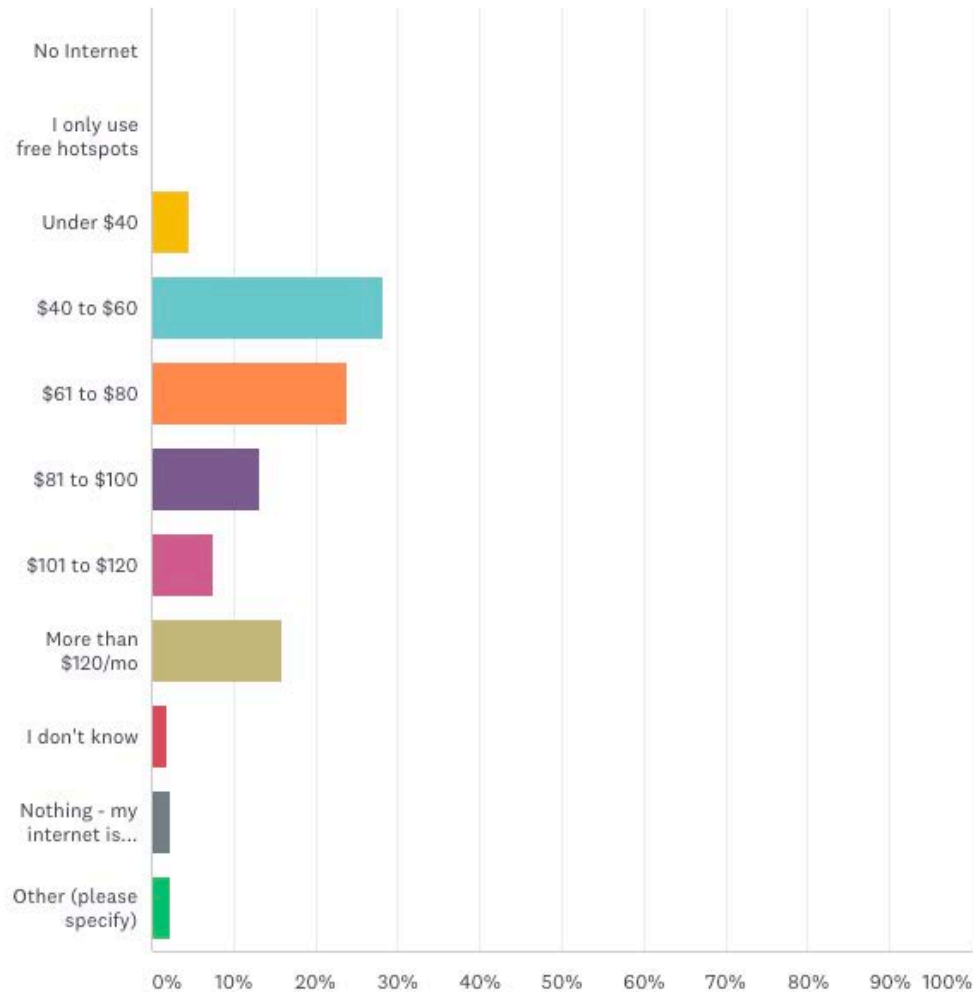
801.613.3800 | 5858 S. 900 E. Murray, UT 84121 | UTOPIAfiber.com



SIMILAR CITY – SURVEY RESULTS

Currently, how much do you pay for internet service each month?

Answered: 213 Skipped: 0



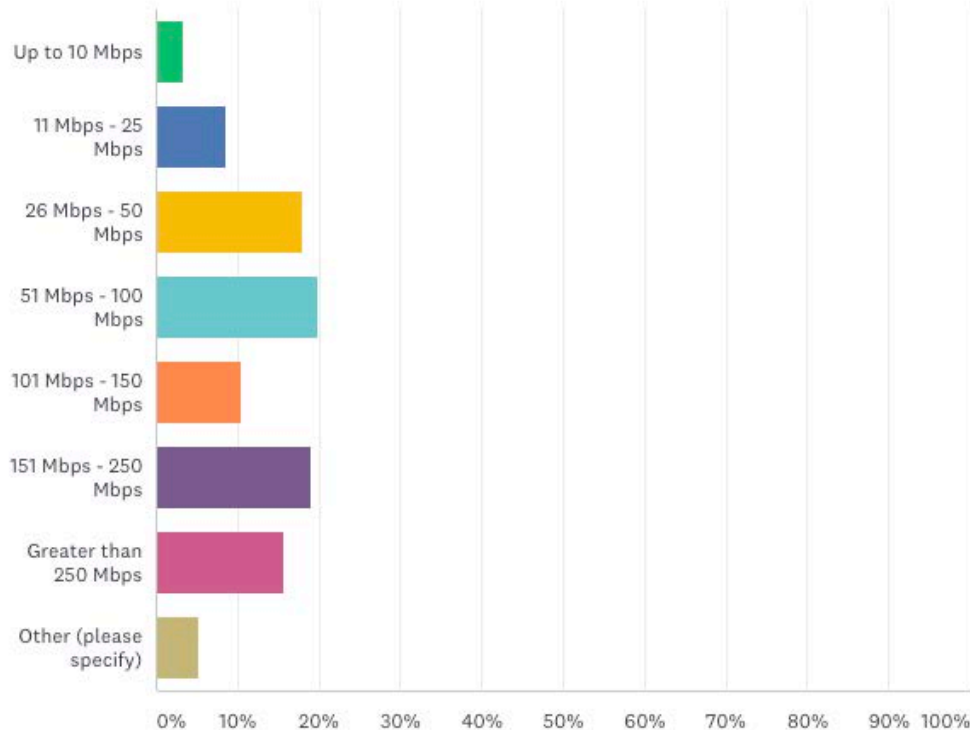
- 36.62% paying \$81 or more
- 60.56% paying \$61 or more



SIMILAR CITY – SURVEY RESULTS

What is the download speed of your internet connection

Answered: 211 Skipped: 2



- 84.36% have slower speeds than UTOPIA Fiber's slowest tier (250Mbps)



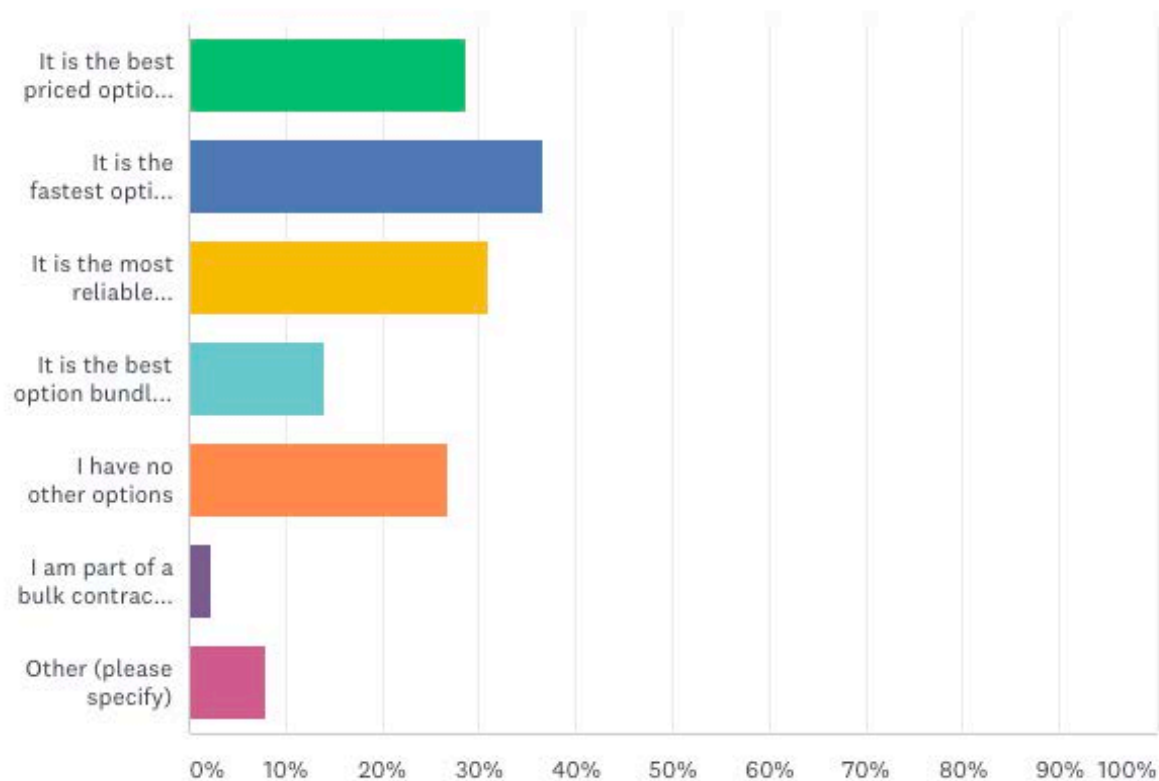
801.613.3800 | 5858 S. 900 E. Murray, UT 84121 | UTOPIAfiber.com



SIMILAR CITY – SURVEY RESULTS

Why did you select the Internet service that you currently have? (select all that apply)

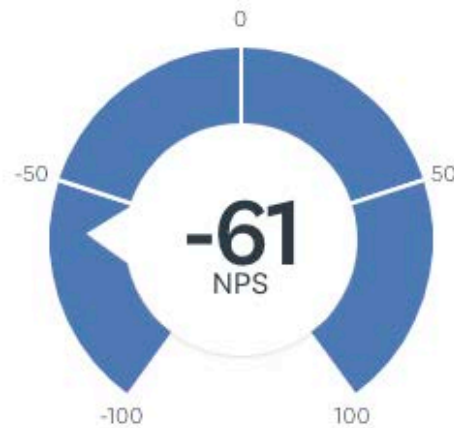
Answered: 213 Skipped: 0



SIMILAR CITY– SURVEY RESULTS

How likely is it that you would recommend your current Internet service to a friend or colleague?

Answered: 213 Skipped: 0



DETRACTORS (0-6)	PASSIVES (7-8)	PROMOTERS (9-10)	NET PROMOTER® SCORE
69% 146	24% 51	8% 16	-61

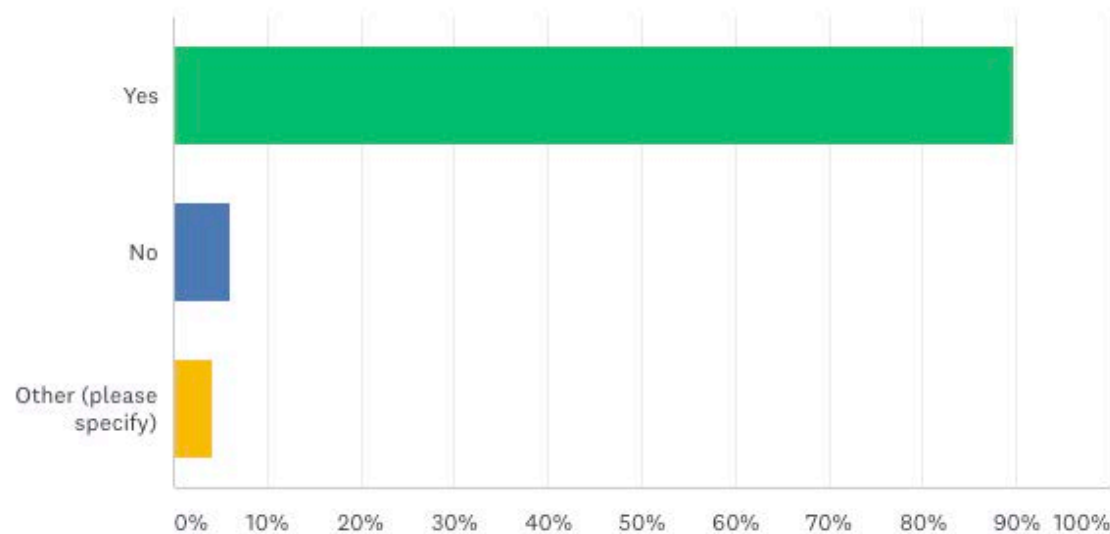
This is especially bad, but good for fiber project take-rate and public support



SIMILAR CITY – SURVEY RESULTS

Are you supportive of the city actively pursuing additional broadband options for our community?

Answered: 213 Skipped: 0



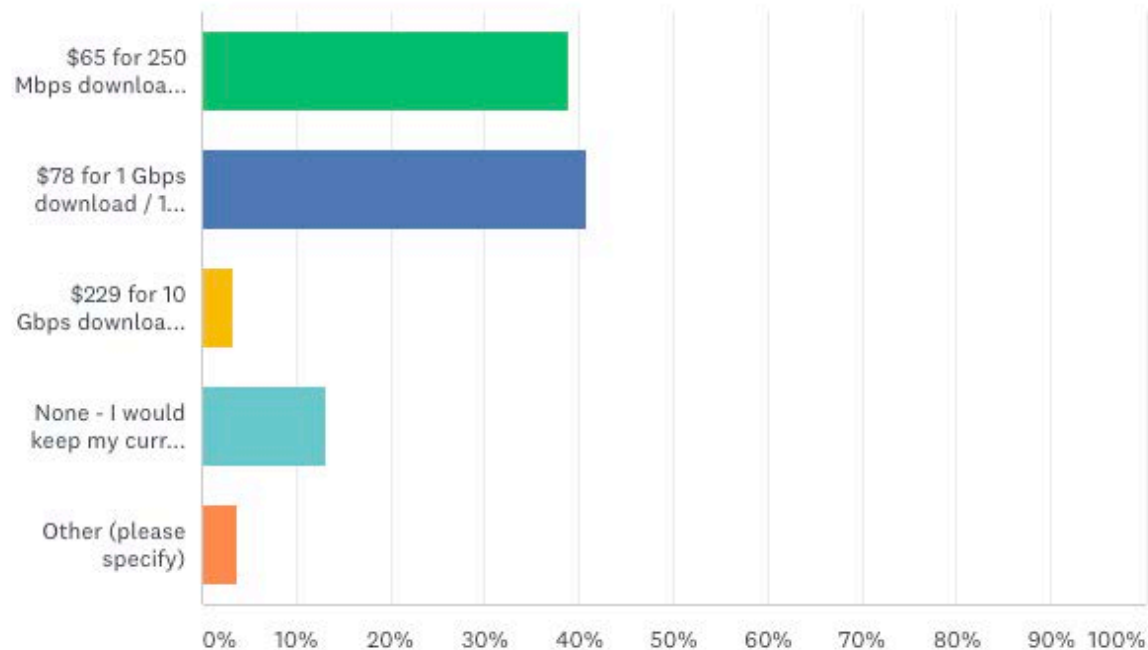
ANSWER CHOICES	RESPONSES	
Yes	89.67%	191
No	6.10%	13
Other (please specify)	Responses 4.23%	9
TOTAL		213



SIMILAR CITY – SURVEY RESULTS

If you were offered the following options from a fiber broadband provider, what would you sign up for?

Answered: 213 Skipped: 0



- 83.11% selecting a UTOPIA Fiber service suggesting an especially high demand and resulting take-rate



Questions?

Roger Timmerman, Executive Director

rtimmerman@utopiafiber.com

www.utopiafiber.com

801-613-3855

