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# Brigham City open house tense over build-out fees

By **TIM GURRISTER**

**Standard-Examiner staff**

BRIGHAM CITY — No one was jumping for joy at the prospect of a \$300 million savior for the stalled UTOPIA fiber-optic network.

He would have been turned away at the door with his carte blanche offer to revitalize the proposed low-cost Internet-access alternative.

Instead, citizen questions at an open house Wednesday night centered on the fees they all would be charged if the proposed light-speed network does resurrect sometime late in the year 2016.

Described as a global giant in public-private partnerships, the Australian investment firm Macquarie Capital promises to finish building UTOPIA in 30 months with its \$300 million — which would, after 15 years of trying, finally extend instant Internet access to the 11 Utah cities that own UTOPIA.

No one seemed impressed at the favorable cost comparisons with Comcast and CenturyLink for basic Internet presented at the open house hosted by city officials to detail Macquarie's proposal.

They had to ask for calm several times during the tense two-hour session, attended by 100-plus residents in the auditorium of the Box Elder Middle School.

"This is not a clapping meeting," City Finance Director Jason Roberts said at one point in response to applause to the big question of the night.

Citizens time and again raised objections to the proposed \$18 to \$20 monthly fee sought by Macquarie once the \$300 million "build-out" of UTOPIA concludes.

"Who is this Macquarie guy?" one resident shouted out at one point, although officials were trying to direct residents to write their questions down first, to be read over a public address system for Roberts and other officials to answer.

Macquarie's proposal calls for all residents to be billed the fee whether they hook up to the fiber-optic service or not.

That the fees are on top of the \$435,000 a year Brigham pays for its UTOPIA bonds was upsetting to some.

The fee requirement is critical to Macquarie's recouping its investment and assuring its financiers, Roberts said. Opt-out provisions will be available for hardship cases, he said, and those who were required to pay \$2,500 hookup fees, no longer required, will be compensated.

"We are all paying to support UTOPIA now through the city's general fund," Roberts said. "We're all paying already."

He also asked the crowd to "consider the value to future generations."

Brigham, Layton, Centerville, Perry, Tremonton and the rest of the UTOPIA cities will vote on whether to accept the Macquarie plan at the end of June — and approval seems likely.

With no other suitors on the horizon, the cities still have to pay off 25-year bonds issued for UTOPIA since its late-1990s inception, whether they accept Macquarie's investment or not.

"Google is not interested in UTOPIA," Roberts said, answering a question about the Internet giant's purchase last year of Provo's failed attempt at its own fiber-optic network.

“There have been discussions with Google, and they’re not interested. They wouldn’t take care of the bonds, and they wouldn’t invest \$300 million.”

A second open house planned for May 22 is scheduled with a different format. Instead of a presentation and slideshow, citizens can line up to question, one on one in booth-style seating, UTOPIA principals, including the fiber-optic network staff, Macquarie, Internet service providers who hope to sell services on the network, city officials and others.

Contact reporter Tim Gurrister at 801-625-4238 or tgurrister@standard.net. Follow him on Twitter at @tgurrister.



Brigham City Finance Director Jason Roberts speaks Wednesday during an open house on Macquarie Capital’s proposal to invest \$300 million in the fiberoptic network UTOPIA.

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