

member municipalities, over the past year to create an agreement that offered municipalities a potential for public benefits in trade for a speedy and predictable build out for AT&T. These potential public benefits are only being offered to NCNGN communities through the AT&T Master Network Development Agreement. These additional potential NCNGN-AT&T negotiated public benefits are not being offered to municipalities in other North Carolina AT&T build out areas.

There are four potential benefits being offered with the AT&T Master Network Development Agreement. NCNGN members have chosen to allocate these potential benefits roughly proportionally to population size. The potential benefits across all municipalities include free 1 gigabit per second service to up to 100 community sites, free 3Mbps internet access for up to 10 eligible low income multi-dwelling unit apartment buildings with 45 - 300 living units, pre-wiring up to 100 commercial buildings that serve small and medium-sized businesses and optionally have the Town share installation costs with AT&T for free wireless internet for the public (that would be monetized through ads by AT&T). Carrboro does not qualify for all of these potential benefits per the terms of the agreement (such as the multi-dwelling unit apartment buildings). NCNGN members are working with the Town of Carrboro to trade benefits that will be usable by the Town of Carrboro per the terms of the AT&T agreement. By trading with other NCNGN members, the Town of Carrboro could potentially receive free 1 Gbps connections to five (5) community sites within Carrboro. Site selection would be made by the Town of Carrboro.

After municipal approval of the AT&T Master Network Development Agreement, NCNGN will continue to work with AT&T to solicit additional public benefits that will add further value beyond the agreement for NCNGN communities. Such possibilities include AT&T working with local organizations that already help address the digital divide in participating communities to provide funds for hardware and educational programs. The Town of Carrboro has been actively engaged in a digital divide discussion with the Chapel Hill-Carrboro City Schools and both organizations recognize that the digital divide will be addressed incrementally through a variety of approaches with no single entity providing the complete solution.

Representatives from NCNGN - Elise Kohn, Senior Advisor & NCNGN Program Director, AT&T - Walter Wells, Project/Program Management - Community Outreach and UNC Chapel Hill - Chris Kielt, Vice Chancellor for Information Technology and Chief Information Officer, will be available at this meeting to answer questions if needed.

The Master Network Development Agreement has been included as Attachment A. The resolution under consideration for approval has been included as Attachment B.

The approval of the AT&T Master Network Development Agreement in no way grants exclusivity to AT&T in the Town of Carrboro.

FISCAL & STAFF IMPACT:

- AT&T is asking that the Town of Carrboro designate staff to facilitate coordination between AT&T, the Town and Town Departments and other NCNGN Participants; and
- Streamline permitting and inspection processes and applications; and
- Provide best efforts to allow AT&T access to Town rights-of-way and utility easements upon request; and
- Develop and implement community education program regarding benefits of high-speed network and services; and
- Continue existing non-discriminatory policies to treat all broadband Internet service providers in a competitively neutral manner; and

- Consider AT&T for future communications services, subject to applicable procurement laws and regulations.

RECOMMENDATION: That the Board receive information on the NCNGN-AT&T Master Network Development Agreement and consider adopting the resolution approving the AT&T Master Network Development Agreement.