Summit Agreement
Description

Broadband Negotiations Team
Key Takeaways – Fiber Access And Optical Performance

• Limited Fiber Count
  • City will provide up to $100,000 in mitigation to augment* some of these areas
  • Summit may augment alternatively
  • City will retain 30% or 2 fibers for its own use (non-competitive)
  • City estimates up to $250,000/yr for 5 yrs for support during Summit start up
  • City to retain maintenance of owned assets

• Standard created to govern optical performance across splices (0.3 dB/km)
  • City or Summit may augment
  • Summit may use future revenue, above the minimum share, to help fund

*Augment – replace line segments
Key Takeaways – Existing Dark Fiber Customers

- City will retain 9 dark fiber customers
- Summit will take any new extensions for service and all new dark fiber customers
Key Takeaways – Marketing, Sales and Customer Service/Retention

- Summit will be responsible for all new retail services
  - Installations, maintenance, billing and customer service
Key Takeaways – Revenue To The City

• Minimum revenue to the City is $144,000/yr

• 10% revenue share for internet service gross revenue
  • Does not include VoIP, video or other value added services

• Summit may use the 10% revenue share if augments due to poor optical performance across splices becomes necessary (0.3 dB/km)
  • Applies to revenue above the minimum guarantee
Key Takeaways – Term and Termination

- **10 year initial term**

- **Automatic 10-year renewal terms unless Summit:**
  - Fails to invest $20 million over first 5 years
  - Fails to materially invest in digital divide ($20,000/yr.)
  - Fails to pay City or denies audit rights

- **Termination for failure to pay or denial of audit rights**
  - 45 day cure period + 90 day wind down period

- **Termination for non-monetary breach**
  - Summit may continue to utilize fiber actively used to service customers
    - City will retain all unused fiber