

## Essential Infrastructure

Just as electricity provided a wave of industrial and social advancements, a fiber-optic network will facilitate high-speed, reliable connectivity that is essential for modern communication, commerce, education, and healthcare.



## Economic Development

Both infrastructures enable economic growth by opening new industries, creating jobs, and boosting productivity.



## Catalyst for Innovation

- Electricity enabled the development of countless new technologies, from appliances to computers.
- Fiber internet is the backbone of emerging technologies such as AI, IoT, and smart cities.



## Impact on Daily Life

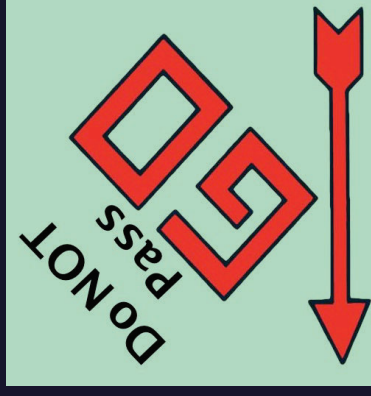
- Electricity transformed how people lived and worked, enabling modern conveniences and longer productive hours.
- Fiber internet reshapes daily life by enabling remote work, telemedicine, online education, and global collaboration.

# The Future of Placerville

Which Road Will We Take?

## Economic and Financial Benefits

- Grant Funds Make this a **ONCE IN A LIFETIME** opportunity with 54% of the cost already paid for. This is an **unprecedented** chance to build transformative infrastructure at a fraction of the usual cost.
- Lower Costs for Residents – This open access model ensures affordable gigabit fiber at costs below current provider rates.
- Future Cost-Avoidance – Delaying the project will increase costs significantly due to inflation and rising labor and material prices, making this the most cost-effective time to act.
- Minimized Financial Risk – Acting now ensures financial stability, avoiding risks associated with voluntary participation and ensures equitable cost distribution.



## Economic Benefits of High Broadband Utilization

Statistics derived from a study conducted by CORI (Center on Rural Innovation, 2025) comparing rural counties that have high fiber utilization vs. rural counties without.

**Boosts Economic Vitality**

- Business Growth Rates = 213% Higher
- Self Employment Growth Rates = 10% Higher
- Per Capita Income Growth Rates = 18% Higher
- GDP Growth Rates = 44% Higher

**Reduces Economic Disadvantages**

- Helps mitigate under-employment and business closures
- Builds wealth and prosperity for existing & new residents.
- Provides a means for students to expand their educational reach by making it easier to attend college and obtain jobs without having to leave the city.

## Home Values

Homes in California equipped with fiber-optic broadband connections tend to experience an increase in property value compared to those without. A 2023 study indicates that fiber-delivered internet access can boost a home's value by nearly 5%.

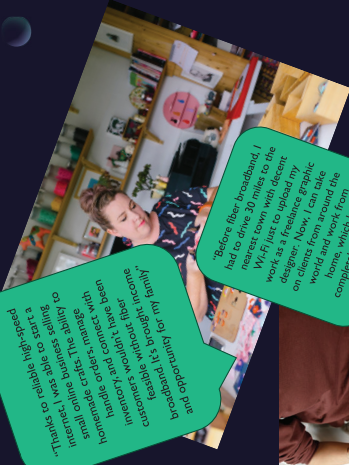


# Opportunity...

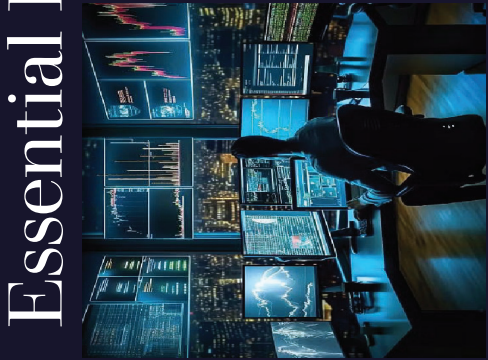
"High-speed fiber has been a game-changer for our business. The ease of setting up a payment from a computer and the ability to work from home has completely changed my quality of life."



"I've been able to sell my services to clients in other states and countries. I can now work from home and avoid the commute. I can take on more work and the quality of life is better."



"Before fiber, broadband, I had to drive 45 minutes to the nearest town to get my work. Now, I can take on clients from around the world and work from home. The quality of life is better."

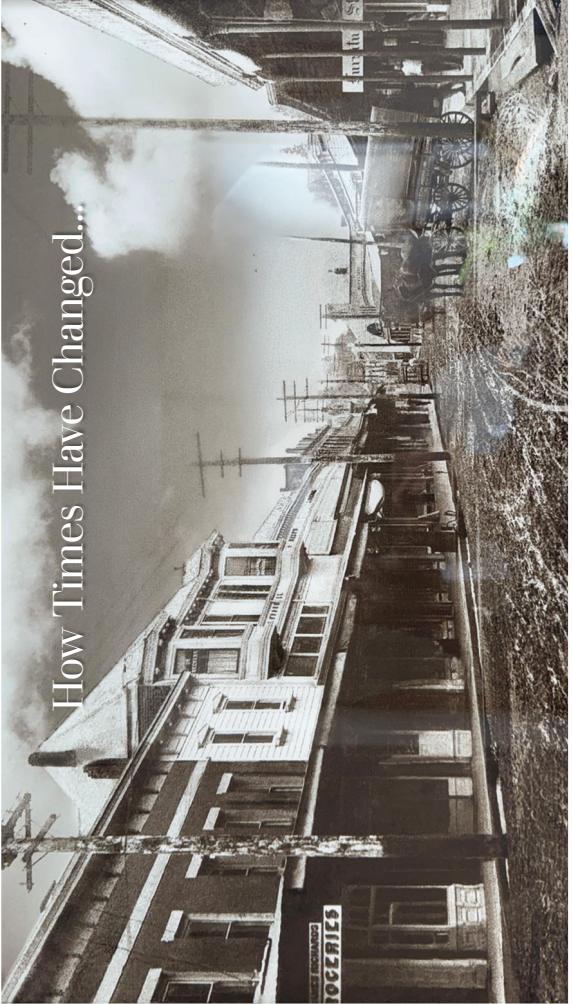


# Essential Infrastructure

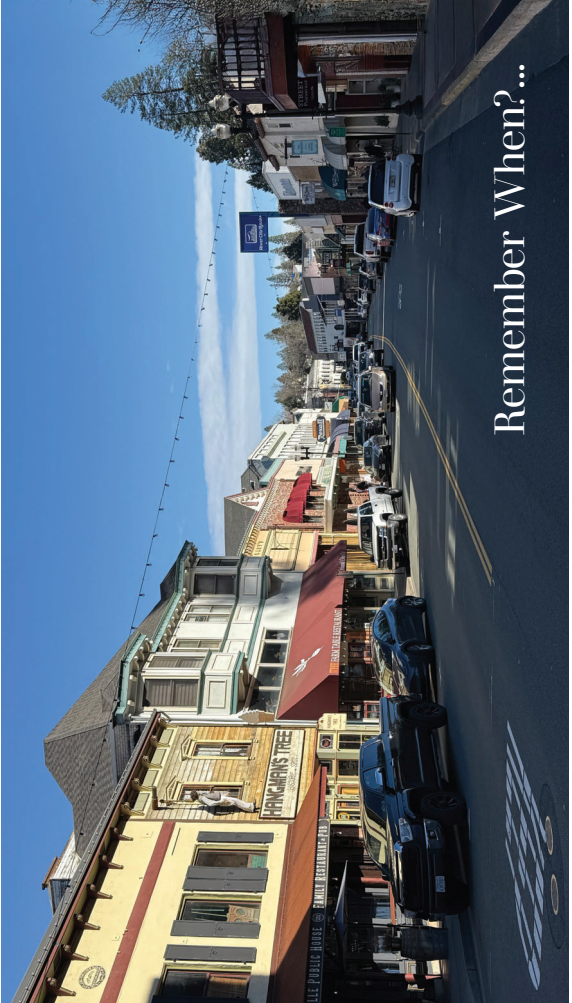
High-Speed internet is as vital as electricity and water in today's digital age.

Is Technology going away?

NO! Our dependence on, and the necessity of technology, specifically fiber-optic capabilities, is growing exponentially.



How Times Have Changed...



Remember When?...



# A Telephone was in every home?

And payphones were on almost every street corner?

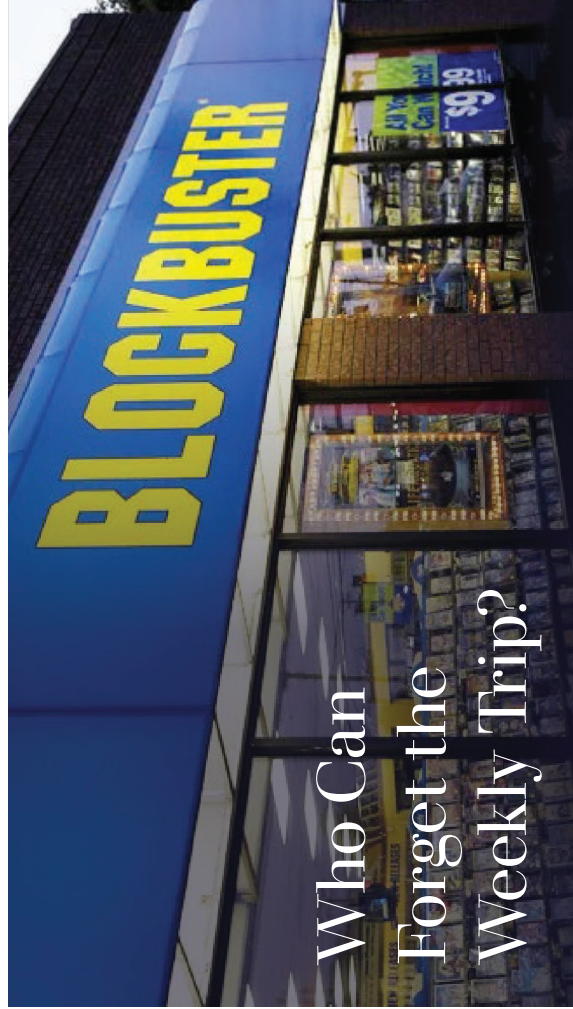


# What about?....

VHS Tapes...




CD's



# Who Can Forget the Weekly Trip?

Floppy  
Disks?



And if you've  
heard this  
before, you  
know how  
things have  
changed...  




How the Internet Benefits Lives...



## Risks of Low Broadband Utilization



Lower income growth rates.



Increased business closures and  
population decline.



Limited economic resilience and  
opportunities.

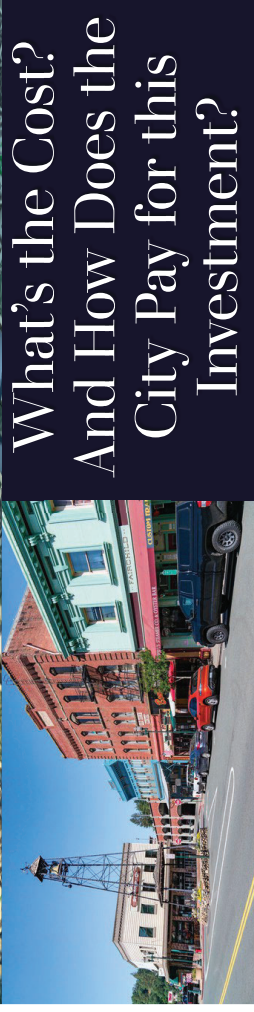


Stagnating Population

Residents, and especially  
students leaving the city to  
pursue educational and job  
opportunities.

## Why Should Placerville Invest in a Fiber-Optic Network?

- History shows us that technology evolves rapidly, leaving behind those who fail to adapt. From landline telephones and VHS tapes to CDs and floppy disks, countless innovations once considered revolutionary are now obsolete. The lesson is clear: communities that don't embrace emerging technologies risk being left behind. Fiber optic networks are not just a technological upgrade—they are the backbone of the future. By investing in fiber now, we ensure our community stays connected to opportunities in education, healthcare, business, and innovation for decades to come. The choice is between progress and stagnation, and the time to act is now.



## What's the Cost? And How Does the City Pay for this Investment?

## Once in a Lifetime Opportunity

Total Project Cost  
\$37,519,461.00

LESS FFA GRANT FUNDING

\$20,198,943

**54% REDUCTION!!**

TOTAL NEEDED

\$17,320,518

This is a Once in a Lifetime Opportunity  
Grant covers 46% of costs!

## Two Primary Financing Options

100% Participation

Voluntary  
Participation

## “100% Option”

### PRO'S

- Formally “activates” the Placerville Broadband Utility that was established by the City Council in May of 2022.
- 100% of residents will have a minimum of very low-cost internet access with option to upgrade.
- Minimal administrative costs
- Payments collected via tax assessment
- Loan secured by Utility Fee Assessment = More advantageous financing costs (lower interest)
- Majority of residents will benefit from a “net gain” with lower cost internet.
- Lower construction costs since crews will be present for entire build-out.
- Financial Certainty = Good Planning
- All the Economic Benefits Already Outlined for Residents, Businesses, and the City.

## “Mandatory Option”

### CON'S

- Subject to Proposition 218 Restrictions
  - Mandatory fee levied against ALL parcels within city limit.
  - Fee valid unless majority of residents oppose.
  - Potential for a percentage of population to be against this
  - Need to create special hardship exemptions or discounts?
    - Based on Income Levels?

## Assumptions used to Calculate:

Based on a Utility Fee (Capital Recovery Fee)  
placed on 100% of Placerville Properties.

Secured by Property Tax Assessment

30 Year Bond\* – Interest Rate lower because Bond  
is secured by Tax Liens

Includes Cost of Passings (Regardless of  
which plan they initially join)

Once the Bond is paid off, the Capital  
Recovery Fee goes away

## What Could Subscribers Expect to Pay Assuming “100%” Option?

Projected User Costs *Based on 100% Coverage	“Power User” Option Capital Download Speeds
Capital Recovery (Utility Assessment Fee/Year)	\$16.10 Billed Annually at \$193.26
Internet Service Provider	\$8.95
Network Maintenance & Operations	\$25.00
<b>Total Monthly Cost</b>	<b>\$50.05</b>
Net Savings from Average Existing Internet Service Cost of \$80/month	<b>\$29.95</b>
Installation Cost (Drop) Subscriber can pay up front, or it can be financed by City over 3-year period.	<b>\$950/\$27/mo.</b>

## “Voluntary Option” Pro’s

- Only those that wish to participate would pay
- Those that don’t want the service can opt out.
- Still retain lower overall cost over existing options (at least for initial sign-ups)
- Payments secured by infrastructure as “collateral”.
- Can provide option for parcel owners to pay entire installation costs “up-front” reducing loan amount needed

## “Voluntary Option” Con’s

- Increased loan expenses due to uncertain loan amounts and potential need for multiple loans.
- Higher interest rates
- Elevated costs for the city and it’s residents
- Unforeseen “regrets”
- Potential loss of economic growth in areas lacking fiber access.
- Financial Uncertainty
  - Greater Administrative cost to city
  - Uncertainty = Higher Costs
  - Ongoing costs and deployment delays expanding network.

## What Could Subscribers Expect to Pay Assuming “Voluntary” Option?

Projected User Costs *Based on 60%* Participation	“Power User” Option <small>CapEx Downloaded Spend</small>
Capital Recovery (Utility Assessment Fee/year)	\$23.85* <small>Billed Annually at \$386.20</small>
Internet Service Provider	\$10.95
Network Maintenance & Operations	\$25.00
<b>Total Monthly Cost</b>	<b>\$59.80</b>
<small>Net Savings from Average Existing Internet Service Cost (\$80/month)</small>	<b>\$20.20</b>
<b>Installation Cost (Drop)</b> <small>Subscriber can pay up front, or it can be financed by City over 3-year period.</small>	<b>\$950/\$27</b>

\*Residents choosing not to sign up in initial phase (while construction crews are in the city) will have significantly higher costs if they change their mind and want to participate in the future.

## COMPARISON

100% TAKE-RATE & PRICING GUARANTEED 5 YEARS\*

NO PRICE GUARANTEE AND VARIES DEPENDING ON WHEN SIGNING UP FOR SERVICE.

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\*Prices presented are not yet finalized

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# The Future is Now!

“Change is the law of life. And those  
who look only to the past or present are  
certain to miss the future.”  
— *John F. Kennedy*



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