

Monmouth and Independence Mayors and Councils

I want to thank you all for showing commitment for the future of Monmouth and Independence. You have provided the leadership to accomplish what few other communities have dared to dream about. 10 years ago the community needed access to advanced communication to continue to provide adequate education, improve public safety, enhance access to healthcare, foster new businesses and job creation, and streamline public services.

But you looked beyond that and envisioned a program that solved the institutional communication problems and included the end user, the businesses and residents of Monmouth and Independence. You asked the most likely existing service providers if they could provide the advanced services you knew the homes and businesses in your community wanted and needed. The incumbent providers responded that "sure that is no problem; we will be there for your community no later than 2020". So you took matters in your own hands and build a community owned network that is one of the most advanced in the county. While the big telcom's in the big cities struggle to offer 20MB and can only do so at eye popping prices, MINET can easily offer 5 times the speed for a reasonable price. Right here, right now in Monmouth and Independence.

To respond to the needs of their citizens, Monmouth and Independence have a long standing tradition of investing in and building infrastructure when that proves to be the best way to serve the community's goals. The two cities have built ferry lines, bridges, railroad spurs and even developed their own telephone network when phone companies weren't willing to serve small communities. Today Monmouth still operates its own power company. These investments in infrastructure were made to stimulate economic growth and improve livability. This is the historic foundation of our community, on which MINET was conceived, developed, and is now operating on. MINET is simply a community investment in the community's future. What would 2010 look like if you would not have made investment in MINET? According to what we were told by incumbent management in 2004 we would still be stuck with dial-up or grossly expensive T-1 service with the expectation of 5 to 10 more years of that! But now we have enjoyed 4 years of community wide access to affordable bandwidth, delivered by a local, community owned network by people that live, work and shop right here in Monmouth and Independence. Once MINET was operational one of the old providers miraculously discovered a way to rollout their own "broadband" product. So, because of MINET, Monmouth and Independence citizens and businesses not only have access to leading edge services - they have a choice in service providers. Clearly, we believe the choice is self-evident. It is a choice between big corporations housed out of state that provides subpar service or a community owned and locally operated network that provides outstanding products and services while keeping the money, jobs, and community support local!

How much money has the cities invested in MINET? Between the two cities about \$1.5 million and MINET's Board of Directors has developed an innovative strategy to

repay those investments to the cities! The Bond that we will discuss over the coming weeks will not only allow for that repayment of the loans from the cities, it will save MINET nearly \$1 million in interest payments to state and private lenders. Additionally, it will streamline the financial management process, creating even greater efficiencies and transparency. Finally, the refinancing package will allow MINET to increase its operational self-sufficiency by creating an operating reserve fund (much like most other utilities have). This reserve fund will reduce MINET's need to turn to the City's for gap funding when the cash-flow issues arise in the future. The cities have backed the loans that funded the creation of MINET, that was a good investment then and it remains a wise investment today. Therefore, I ask that the prudent strategy created six years ago to create MINET is continued and improved upon, through the backing of this new financial package. You are the owners of MINET I ask you to support the refinance of the variety of construction loans into a post construction loan with a much better interest rate. It is like if you had a home loan at 8% and could refinance it at 5% would you do it? MINET is a good deal for the community and a real asset for years to come. This Bond is a good deal for the community because it allows MINET to mature into self-sustaining business, while providing a way to pay back the city's now and continue the legacy of serving the community by investing in infrastructure.

Finally, inspired on the service to the community on which MINET was built - I would like to announce that MINET has recently enhanced our community outreach process. In addition to participating in a number of community meetings and forums, MINET is launching a community survey to ensure the questions, concerns, and interests of the community are understood and addressed. MINET has also recently added a "Frequently Asked Questions" section to the website. This FAQ section will allow local citizens to directly ask MINET for information and clarification on policies and practices. We invite anyone interested in MINET to visit the new FAQ section of the Website www.minetfiber.com to ask their questions and see what other members of the community are asking.

**Thank you
Phil Garrett
MINET
General Manager**