



City of Independence, MO – Feasibility Assessment

DISTRICT OFFICES:	01	
SUBSTATIONS:	03	<i>3 Huts connecting back to office, 1 DIA in hut</i>
POLE COUNT:	30,713	<i>Poles IPL & City Owned</i>
AVERAGE POLE SPAN:	250'	
EXISTING FIBER		
Overhead	71.62mi	
Underground	12.78mi	
	84.40mi	TOTAL EXISTING MILES
NEW FIBER – PRIMARY		
Overhead	561.92mi	
Underground	236.23mi	
	798.15mi	TOTAL PRIMARY MILES
	<i>Underground percentage 29.60%</i>	
NEW FIBER – SECONDARY		
Overhead	453.40mi	
Underground	204.16mi	
	657.56mi	TOTAL SECONDARY MILES
	<i>Underground percentage 31.05%</i>	
<u>CUSTOMER DATA</u>		
TOTAL METER COUNT:	60,034	
INTERNET METERS		
Residential	52,059	
Small Business	4,994	
Medium Business	70	
	57,123	TOTAL INTERNET METERS
		<i>Meters/Customers Per Mile = 71.6</i>

ASSUMPTIONS

LOAN RATE	3.00%
LOAN TERM	30YR
SLACK AND SAG	15%
TAKE RATE	30%
PASSINGS/SPLITTER	27
MST'S/SPLITTER	7
AVERAGE CABLE COUNT	63.6
MAINLINE TO PRIMARY	90%
METERS PER MILE/PRIMARY	71.6
FEET PER POLE	250
AVERAGE STB PER HOME	2.5

CONCLUSION

TOTAL CAPITAL EXPENDITURE	\$75,191,745.93
TOTAL MILES OF NEW FIBER BUILD	1,455.71
ESTIMATED MONTHS OF CONSTRUCTION	36
OPERATING COST	
Year 1	\$540,000
Year 5	\$3.9M
Year 10	\$4.1M
CUSTOMER TAKE RATE	30%
MARGIN	54%
MONTHLY CASH FLOW	\$752,550.00
NET INCOME POSITIVE	YEAR 3
CASH FLOW POSITIVE	48 Months