Fellow Emmetsburg citizens,

My name is Delbert Witzke. I live in Emmetsburg and work for Mediacom Communications. Just like many of you, I have been reading with great interest several recent letters to the editor regarding the city’s effort to construct a taxpayer-funded telecommunications system.

I am not writing to tell you how to vote, but rather to offer some information that I feel may better inform your decision.

Let me start by saying that Emmetsburg is not lagging behind the rest of the U.S. when it comes to the availability of telecommunications services. Mediacom offers residential customers in Emmetsburg download speeds ranging from 3 Mbps all the way up to 105 Mbps. On the business front, Mediacom can customize its vast fiber network to the needs of any customer and offer speeds in excess of 1 GB. These speeds are the same or faster than what you can find in major metropolitan areas across the country.

If you are wondering how Mediacom’s service compares to other internet service providers (ISPs), studies released by the FCC in 2012 and 2013 ranked Mediacom in the top 5 ISPs nationally when it came to delivering advertised broadband speeds.

With companies like Windstream, Dish and DirecTV also offering telecommunications services here, competition for your business is fierce. Mediacom’s products and prices have to remain competitive or it will lose ground to those other companies. This means constant and continual upgrades to its facilities. In fact, Mediacom invests approximately $250 million annually in private capital to make sure its national network remains state-of-the-art.

Not one penny of the money Mediacom has invested in its network or paid in salaries to its more than 1,600 Iowa-based employees has come out of your property taxes. The same cannot be said for the system that the city leaders in Emmetsburg are proposing to build. The only thing we know for sure is that property taxes will be increased to pay for the system.

Unfortunately, using taxpayer dollars to subsidize a city-owned network does not guarantee the project’s success. In fact, municipal telecom ventures often fail. In creating projections for these types of projects, city officials often overestimate the revenues the system will generate. Take, for example, a similar municipal project undertaken a few hours north in Monticello, Minnesota.

In the case of Monticello, city leaders announced in June 2012 that the city would stop repayment on the bonds it issued to build its troubled FiberNet system. Despite efforts by Monticello to keep FiberNet afloat financially using funds from other municipal operations, it continued to operate at a loss. The impact of the FiberNet meltdown now threatens the financial stability of the city as, according to The Bond Buyer, Moody’s downgraded Monticello’s credit rating as a result of its “diminished financial position resulting in part from multi-year support of the city’s telecommunications enterprise.”

On November 5th, please consider all the facts before voting. Ask yourself if the certainty of higher property taxes is worth the benefit of providing the same services that the citizens of Emmetsburg can already buy from existing providers in the private sector.

Sincerely,

Delbert Witzke