

Steering Committee Meeting Notes

Friday, July 26th, 2013 10:00 am – 11:00 am

The Community Foundation of Mendocino County

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then the regular number, then #, and then access code and # again)

1. Call to Order: 10:00 am

- a. Attendees: Dan Hamburg (Supervisor, Mendocino County), Doug McCorkle (North Coast Railroad Authority), Greg Jirak (Strategic Chair, Alliance), Jim Moorehead (Chair, Broadband Alliance), John Goldsmith (Alliance Finance chair), Mike Nicholls (Co-Chair, Access Sonoma Broadband), Susanne Norgard (Executive Director, Community Foundation), Trish Steel
- b. Call-in: Dane Jaspas (CEO Sonic.net), Marcia Armstrong (Supervisor, Siskiyou County), Cathy Emerson (Manager, Northeastern and Upstate CA Connect)
- c. Changes to agenda: Jim added an update on the MUSD meeting (Section 5)

2. Broadband Coalition of Northern California Counties – Mike, Greg

- a. On Tuesday we sent out an email mailing to BCNCC participants with a letter template that “Substandard broadband damages the regional economy” and asked leaders from the northern counties to sign on and acknowledge the problem in their county. We are now waiting for responses.
- b. We will compile the letters into a single packet, add a cover letter and send to CPUC and both houses of legislature by next Friday, August 1st.
- c. Mike added that Supervisor John Kennedy from Plumas County attended their Access Sonoma Broadband (ASB) meeting and seems to be quite interested in what Sonoma is doing and how they are doing it, so there is interest that is being generated.
- d. Our next outreach will be to the media in the northern counties, and we want to talk about the idea using the coalition participants as conduits to access local media in their counties. If we could seek the advice of the Supervisors and other leaders/participants of the BCNCC, that might open some doors for us. We have articles that were written with a slant towards the Route 1 Corridor Project (in Sonoma and Mendocino Counties) that could be tailored to other counties. Adding interviews of local people and capturing the local flavor of a county could get people to identify with our common cause.
- e. John Goldsmith asked about our thoughts of using our media outreach person, freelance writer Carol Brodsky, at a higher level and doing outreach at a national level such as the NY Times, SF Chronicle, and WS Journal. John feels strongly that it would be a good thing to do, and is willing to help with it. Jim acknowledged it would be great to do and we will look at it, and use any personal contacts we each may have, but we are currently constrained by resources. There is only so much that volunteers can do.

- f. We hope to send out a release to the media about the CETF report today, and we have assigned people to make personal contact with various media people concurrent with the release.
- g. Mike wondered about contacting Harold Feld who is with Public Knowledge and authored a piece last week in the LA Times (see <http://www.latimes.com/news/opinion/commentary/la-oe-feld-broadband-gigabit-access-20130723%2C0%2C6950025.story>) Jim suggested that Mike reach out to him, that he might possibly help us. Harold gave a dynamic presentation in Sacramento at the broadband conference a few months ago.

3. **Golden Bear Broadband**

- a. Mitch was not on the call today, so we do not have an update from him on Golden Bear Broadband.
- b. Mitch did attend a meeting of the Mendocino Unified School District recently where the topic was public input on the future of the Mendocino Community Network.
- c. He and Jim also attended the Access Sonoma Broadband meeting in Santa Rosa on Wednesday, and then went to Daly City to meet with potential Chinese investors. There are several routes being explored, one still being the EB5 program. The US Citizenship and Immigration Services is making progress on Joseph Kong's Regional Center application. There is also a potential for direct investment by other Chinese investors, some of who are very savvy to the telecommunications business and were asking a lot of good questions. However, there is no commitment on anyone's part yet. And of course, this is all contingent on the Golden Bear application receiving approval by CPUC.
- d. If the application is not recommended for approval by the Draft Resolution, then we are assembling a group of leaders from throughout northern California (county Supervisors, county school Superintendents, business leaders, etc) we are calling the "Blue Ribbon Emissaries" who are willing to physically go and lobby the CPUC to approve the draft Alternate Resolution. If this route is required, it moves into the political realm and so our Blue Ribbon Emissaries are important.

4. **Senate Bill 740**

- a. Cathy Emerson gave an update on Senate Bill 740 and Assembly Bill 1299. Both appear to have been brought back to life, although nothing is scheduled yet. The Assembly reconvenes starting August 5th, and the Senate on August 12th.
- b. No testimony is allowed at the committee meetings, so the committee members now hold all the power to vote Yes or No. Eight members must vote Yes for the bill to make it to the floor, and then the members of the legislature must provide a two-thirds majority to pass.
- c. At the first vote on July 1st in the Committee of Utilities and Commerce Committee, they did not get eight votes needed to get out of the committee because seven members were not present for the vote or refrained from voting (Assembly members Bonilla, Buchanan, Garcia, Gorell, Hernandez, Jones, and Fong). Mike felt that the reason so many of the committee members didn't vote is that they were strongly lobbied.

- d. The California Emerging Technology Fund is leading the charge for reconsideration, getting letters and documents out, and looking for stories that exemplify the digital divide throughout the state, including stories of incumbents who won't extend their service.
- e. The CETF has a strategy in mind to bring these two bills together and end up with funding, some to Assembly Committee of Utilities and Commerce Chair Steven Bradford's AB 1299 and the balance to CASF SB740. In their conference calls and emails, they are urging Assembly member Bradford and Senator Padilla to vote YES on AB1299 and SB740, and meanwhile the letter campaign is keeping the bills afloat.
- f. Dan asked Cathy what she thought the mood of the legislators was with respect to broadband funding. She replied that the feeling is that we have fallen short of educating the members of the committees and state legislature about how the lack of broadband is hurting opportunities for economic development, and that we need to get the word out.
- g. Most of our elected officials are against subsidies of any kind (with the exception of farm subsidies), and with next year being an election year, the feeling is that this year is the last chance for any additional money for broadband funding. It's a last ditch effort.
- h. The Regional Council of Rural Counties (RCRC) is an association of thirty-one rural counties that advocates before the legislature, Congress and other government agencies on behalf of rural issues. They are also involved in this issue.
- i. Supervisor Marcia Armstrong mentioned that the whole pattern of rural electrification in the early 20th century was based on subsidies.
- j. There is also a strong white demographic that does not see the need for high speed broadband. This is from a Public Policy Institute of California (PPIC) study by CETF, so there is an educational process that needs to happen (<http://techwire.net/the-digital-divide-its-about-quality-of-access/>).
- k. Mike mentioned that in Sonoma County they are working with the Latino community and the adoption issue, as a recent survey showed that Hispanics use cell phone for internet access and not computers. They are specifically meeting with Scott Adams (Comcast Director of Government Affairs) to see what information he has for training folks in impacted areas.
- l. The CETF report that was released on July 17th was an important event, and Greg updated the group about our revised strategy for spreading this report based upon input from Assemblyman Wes Chesbro. The Broadband Coalition has a goal of gaining widespread support throughout the northern counties to document the problem side of the digital divide issue.
- m. Separately, we have an action group that is currently composed of Sonoma and Mendocino Counties, and we have drafted a review and will make a strong statement referring to the CETF report and tying it to the economic problem, and embracing projects such as Golden Bear and full funding for CASF. This letter will be sent to the CPUC, and senate and assembly committees and be a powerful document. (Note: these letters were sent out late afternoon on Friday, 7/26/13)
- n. Mike suggested including the League of California Cities on our outreach. (<http://www.cacities.org/>)

5. Mendocino Community Network (MCN) and Mendocino Unified School District (MUSD) – background and update

- a. The MCN issue may seem like a peripheral issue, but it is critical to broadband deployments efforts for Mendocino County, and the potential success of GBB.
- b. Jim provided some background on MCN and its importance. MCN is an Internet Service Provider (ISP) on the Mendocino coast which started in early 90s and is owned by the Mendocino Unified School District. It is probably the only ISP in the U.S. that is owned by a school district. The logic at that time was that it was a way to get students involved in internet and research. And as a benefit, over the years MCN has made a nice contribution to the MUSD budget.
- c. The key player in MCN is their business manager, Mitch Sprague. Mitch announced recently he will retire by Oct 15th. At the end of FY2012 MCN also lost a small amt of money (\$23,000) which precipitated action at the MUSD board level to consider whether they should be in the ISP business (see memo attached with email). Jim attended two board meetings this week, and with Mitch Drake’s (of Golden Bear Broadband) prior consent, Jim stated at these meetings that GBB is in the final stretches for getting a decision from the CPUC and it would be of great important for the MUSD board not to rush to a decision to shut down or sell MCN.
- d. Monday night was a public input only, and the board didn’t comment. Last night the board had a decision-making meeting, and Mitch Drake drove over from Sacramento and attended.
- e. Jim’s pitch to the board was that the Mendocino County Office of Education (MCOE) and BAMC have a goal to close the digital divide in Mendocino County. County Superintendent Paul Tichinin had an insight which lead to a close collaboration between MCOE, BAMC, and the Mendocino Council of Governments (MCOG) to apply for a Caltrans Environmental Justice grant which would fund a statistically valid survey of all 7-12th grade students (10% of the population of Mendocino County), the results of which could challenge the currently inaccurate official broadband coverage maps.
- f. Universal internet access for our students is important because California State Superintendent of Schools Tom Torlakson has a goal to transition the current educational structure to what he calls, “Any device, any time and anywhere.” The idea is that school kids would have a portable device with internet access that they have with them to study, research, and do homework with at school and at home.
- g. Good broadband access at their school campus only solves part of the problem; if students are equal participants in their educational process, they also need adequate broadband at home.
- h. This connects to Golden Bear Broadband because the GBB project, if approved, would bring an affordable, robust middle-mile infrastructure through a substantial part of Mendocino County, and GBB has had discussion with MCN to be a last mile provider which brings access to the home; if MCN goes out of business, then GBB must go back to drawing board for last mile connectivity. If there is a partnership with MCN, when GBB is approved it can hit the ground running.

- i. A few parents expressed concern about MCN distracting the board from their job as Trustees, but it was pointed out that the board doesn't normally meet during summer anyway, so these meetings are not taking their time away from normal school business.
- j. Because there are a lot of rules and regulations regarding the disposal of assets (such as MCN) for a school district, it's a lengthy process, and Jim feels like there is time for GBB to be approved, and then go back to school board and see where they are and what they plan to do. If the board does decide to sell MCN, there is possibly a public bidding process, and a lot more details he doesn't need to go into here.
- k. Mitch Sprague has said that his October 15th resignation date is flexible, and he wants to see a good transition. If the board were to act in haste to try and sell before GBB is approved, MCN may end up being 'dismembered' – sold off in bits and pieces and Jim feels that we will never be able to put it back together again.
- l. Overall, they were good upbeat meetings with no strong disagreements and Jim feels that the board is heading in right direction. Further, the board members were thoughtful in their questions and statements and appear keenly interested in making the right decisions for both MCN, the District, and the community.

6. Meeting Adjourned at 11 am

Next meeting: August 2nd, August 9th