

Steering Committee Meeting Notes

Friday, September 6th 2013 10:00 am – noon
The Community Foundation of Mendocino County
204 S. Oak Street, Ukiah, CA 95482 (707) 468-9882

New Dial In Number

Dial In # (760) 569-7225, Participant Access Code: 108 1131#

1. Call to Order: 10:00 am

- a. Attendees: **Brian Churm** (Alliance Technology Chair), **Dan Hamburg** (Mendocino County 5th District Supervisor), **Doug McCorkle** (North Coast Railroad Authority), **Greg Jirak** (Alliance Strategic Chair), **Howard Egan** (ReMax Realtor), **Jeff Tyrrell** (District Rep for Senator Noreen Evans), **Jim Moorehead** (Alliance Chairman), **John Goldsmith** (Alliance Financial Advisor), **Mike Nicholls** (Access Sonoma Broadband Co-chair, Sonoma County Economic Development Board), **Mitch Drake** (CEO, Golden Bear Broadband), **Randy MacDonald** (Public Safety Communications Committee/Alliance liaison), **Trish Steel** (Alliance Administrative Coordinator),
- b. Call-in: **Cathy Emerson** (Manager, Northeastern and Upstate Ca. Connect Consortia), **Russ Selkin** (Butte County Office of Education, for County Superintendent of Schools Tim Taylor)
- c. Guests: **Mike McGuire** (Sonoma County 4th District Supervisor), **Carre Brown** (Mendocino County 1st District Supervisor), **John McCowen** (Mendocino County 2nd District Supervisor), **Steve Dunicliff** (Director of Planning and Building Services), **Steve Sharpe** (Sonoma County Economic Development Board, Access Sonoma Broadband Co-chair), **Michael Kisslinger** (KZYX news reporter), **Jason Howard** (News Director, Mendocino and Lake Counties KWINE radio), **Guil Dye** (KWINE owner)
- d. Changes to agenda: none

2. Introductions – Everyone introduced themselves

3. Broadband Coalition of Northern California Counties (BCNCC) – Greg

- a. Greg provided some background of how and why the BCNCC was formed. The original broadband grassroots organization was a coastal group which started with Jim and Shirley Freriks in 2007. This group realized that they did not have enough power and clout to get things done, and so they re-organized into a larger, county group and became the current Broadband Alliance of Mendocino County (BAMC). We began holding meetings at the county seat in Ukiah, and had much more success. Then in 2011 we allied with Sonoma County, and the impact that the Alliance was having grew again and the benefits of mutual cooperation became even clearer.
- b. Now, we are seeing that the same broadband issues that affect our county also affect all the northern counties, and we realized that we need to expand and organize again into a larger group, and that was the reason behind the creation of the Broadband Coalition of Northern California Counties (BCNCC). The sixteen northern counties have 26% of

the area of the state, but only 4% of the population. We need a strong and unified voice to have any type of influence on policy decisions that are affecting our counties. The statement that we are using to identify the problem and that all the counties could agree with is: "Substandard broadband is damaging to our regional economy."

- c. As a Coalition, we are not proposing particular solutions, but agreeing that we have a problem.
- d. We have contacted supervisors, county school superintendents, and other leaders from the sixteen counties and are actively soliciting letters of support for this statement.
- e. We need to pull together as much as we can as a region; we may not have money to do much unless we get additional CASF legislation.
- f. After this introduction to the Coalition and why it was formed, the discussion was opened for questions.
- g. Supervisor Hamburg asked about what funding is likely to be available through SB740 and AB1299. These bills are likely to be approved and would provide \$65 million in CASF money. This shows some commitment to the CA state goal of 98% broadband coverage, but it certainly won't finish the job by any means, as most of that money will be used up. There currently are more projects on the table than money available for funding.
- h. *Update: as of now, 9/13/13, these bills have been approved and are on Governor Brown's desk for his signature.*
- i. For example, our portion of the Golden Bear Broadband (GBB) project will provide fiber along the coast and to some last mile points, but even that doesn't get the job done. We need additional fiber backbones throughout the county, and funding those is not included in the current funding. There is no obvious way to get them funded, and without subsidies they likely will not get built. Rural California in general, and Mendocino County in particular, need more capital investment to finish the job.
- j. Supervisor Brown said that she is meeting with RCRC counties in two weeks and that if there are counties that have not signed on to the BCNCC, she can connect with county supervisors personally if we give her a list of those counties. Trish will get that list to her soon.
- k. Cathy Emerson added a very important point: she has presented already to most of the supervisors in various counties, and the question has come up as to whether this is a competing effort with the consortias. Her response to those inquiries has been an emphatic NO, that this effort builds upon and re-enforces the work that she has done already, and it leverages what she has started.
- l. Greg pointed out that Cathy and the consortias are "top down", while the Alliance, Access Sonoma Broadband (ASB) and the BCNCC are grass roots organizations and are working from the "bottom up", reaching out to everyone, county to county. We are all working towards the same goal though and are **not** at odds.
- m. Dan added that Mendocino County Supervisor Pinches has been on the phone with republican Assembly members from around the state to get them to support SB740 and CASF funding, and that he greatly appreciated his efforts.
- n. Jim gave a quick background of the CASF subsidy program. A big misperception out there is that it is a new tax, but that is not true. It's a "rate-payer" fee, which is a tried

and true principle. It goes back about a hundred years when universal service fees were established to get telephone service out to the rural areas of the country.

- o. Currently, the state CASF program and the federal Connect America Fund (CAF) are possible sources for broadband funding, but the CAF is a political football right now so we are focusing on the state CASF funding. However, the BCNCC is not necessarily advocating for CASF, although some individual counties within the Coalition, such as Mendocino and Sonoma Counties, are strongly in support of CASF funding.
- p. Mitch also updated the group about CASF and American Recovery and Reinvestment Act (ARRA) grants from the 2009 period. Basically, those grants took care of two thirds of our state, from Sacramento to San Francisco south and a little bit in the central valley. The ARRA grant program is no longer in existence, but the CASF is. The CA High Cost Fund A for small telephone companies will build fiber networks in the southern part of the state and in Siskiyou and Modoc counties. So for other northern counties, there is nothing else except CASF and CAF as far as money for building fiber networks.
- q. Steve Sharpe brought up the issue of how to match the money with a contractor who is able to build these networks, because currently there are many who can't apply for the funds because of the application restrictions. SB740 allowed for the relaxation of the Certificate of Public Convenience and Necessity (CPCN) requirement to apply for the funds, and the question was asked if that relaxation of restrictions is still in the current version of the bill. The answer wasn't completely clear as the politics have been pretty crazy, but it seems that there was a compromise, and that certified carriers have the first right of refusal.
- r. Mitch said that the carriers also have a first right of refusal for the Connect America Funds (CAF), and although there were two opportunities in phase 1 and phase 2, none of the carriers applied.
- s. Mitch's previous project, Central Valley Information Network (CVIN), had both ARRA and CASF funding, and it covered eighteen counties across the central valley and was for \$66 million. There were zero challenges to that project. For his Golden Bear project, there are seven challenges from the incumbent carriers.
- t. Russ Selkin (Butte County COE) suggested to Mitch that if it is still possible, to break up his project into multiple projects while still keeping the long-term picture. If separate maybe there wouldn't be the political pressure from the telcos.
- u. Mitch agreed that the numbers that he has for his project are large and cause "sticker shock", but it's too late for this round of funding but can be addressed in phase two of their plan. The previous largest project was the Digital 395 project at \$101 million; the GBB is currently at \$119 million and is clearly the largest project application. He thinks that the amount in the fund is between \$155 and \$160 million, plus that \$60 million that goes into the fund through 2020 (SB740), which makes him believe that everyone can get funded.
- v. Because GBB serves the northern counties with such a low percentage of the state population, the state can leave us completely out and still almost meet their "98% coverage" goal. We have to make our voices heard so that we are not ignored. Maybe Mitch had better luck in the central valley with the CVIN because that project served a bigger population area (Dan).

- w. If GBB is rejected, there IS no back-up plan to meet the needs of our counties. The question has been asked, “If not GBB, then what?” and there is no answer coming... (Mike Nicholls)
- x. And finally, we are all hopeful because Jim reminded everyone that on the CPUC field trip, the two CASF team members had the chance to meet with local community leaders and they seemed to listen and be concerned, and they took a lot of notes.

4. Mendocino/Sonoma County collaboration – Mike and Jim

- a. Mike and Jim gave a brief history of how the collaboration between Mendocino and Sonoma County began.
- b. Sonoma County Supervisor Carillo asked Mike about two and a half years ago to research what could be done to expand broadband in western Sonoma County. He didn’t know a lot about it, but he started looking at various websites and came across the Broadband Alliance of Mendocino County. He called us, was invited to a meeting, and was hooked by the synergy of the counties together.
- c. Last year the Alliance met 39 times, and Mike attended just about every one of those meetings. It has been a very successful collaboration.
- d. Although at first glance it may seem that Sonoma County is quite different from Mendocino County because of the large population of cities like Santa Rosa, five miles off the Highway 101 corridor our counties are very similar: rural, with employment and economic development issues, and substandard or no broadband access.
- e. Sonoma County was planning a broadband project that went up to Gualala, and Mendocino had one that went up Highway 1 from Gualala. Realizing that the county line was an artificial boundary, together we made a project that created a redundant loop, the Route 1 Corridor Project (R1CP). The redundancy was an important aspect of the project, so that if the network is cut at any one section there is a work-around by having a loop.
- f. This scenario did happen recently near Jenner where the entire landline telephone network went down due to suspected copper cable theft, and 911 services were cut off for over 12 hours. (See report by Sean Scully, The Press Democrat on May 10, 2013, 4:23 PM) Many people didn’t even know that service was out, including the fire departments.
- g. They had been working along those lines when they met Mitch Drake of Golden Bear Broadband and his consultant Ray Anderson, and it became obvious that R1CP should become a portion of the much larger, Golden Bear project. Currently, the R1CP team has weekly conference calls that include the Alliance, Access Sonoma Broadband, and Golden Bear Broadband.
- h. Sonoma has recently started their own group, Access Sonoma Broadband, with supervisorial appointments and funding. Mike Nicholls and Steve Sharpe are Co-Chairs. Members of the Alliance have attended their meetings and have provided organization advice, gained from their experience in Mendocino County.
- i. The Sonoma County and Mendocino County Planning Departments have held formal meetings together to begin planning for the required permitting associated with the R1CP. This joint planning effort is very important, both in understanding the issues

involved (such as coastal commission restrictions, jurisdictional hurdles, etc), making contacts, and getting everyone in agreement about coordination so that when the application is approved the planning will go as smoothly and quickly as possible.

- j. The question was asked about the difference between middle mile and last mile. The middle mile connects two major cities, while the last mile connects from the city to the home. Sometimes the term “2nd mile” is used instead (Mitch).
- k. Jim compares the Internet Backbone to the interstate freeway system, the middle mile to the state highways and then the last mile to the streets and roads which bring the service to the businesses and residences.
- l. Another way to look at it: middle mile has to do with transmission, and the last mile has to do with distribution. Usually the last mile is the hardest hurdle to overcome, which is why the CPUC focuses on it. But in our case, the lack of affordable and accessible middle mile is also a big hurdle.

5. Northern California Regional Middle-Mile Infrastructure / Golden Bear Broadband

- a. Mitch provided a summary and update of the Golden Bear Broadband application.
- b. Through the consortia efforts the broadband needs for sixteen counties were identified, and from that information they developed and packaged up their original application. Their ask was for \$119m, and of that, there was about 1,100 miles of new fiber and about 1,200 miles of leasing existing “dark” fiber (fiber that is unlit).
- c. Mitch is currently re-writing the application based on CASF review team feedback.
- d. The CPUC staffers assigned to the application took a field trip along the R1CP to see firsthand the problems for broadband deployment in the area. Their first stop was Joy Road, which has dense forests and difficult terrain where wireless and satellite signals don’t work very well.
- e. Driving north towards Point Arena for a second meeting, in the center of the north-bound lane, there is a twelve-mile section of roadway where Verizon/Caltrans attempted to microtrench fiber, and it has now all pushed up and needs to be torn up in order to be fixed.
- f. In Point Arena seventeen community leaders attended and gave an impressive presentation of the challenges of living on the coast without broadband and/or substandard broadband; speakers included the local superintendent of schools, a farmer, the pharmacist, the credit union manager and the general manager of the Sea Ranch development.
- g. They had lunch at the Manchester cable landing station, owned by ATT, where the Japan-US Cable Network high-capacity trans-pacific subsea fiber optic cable comes onto land from Japan. Brian Churm explained the economics of getting fiber to cities such as San Francisco and Silicon Valley, and that because of monopolistic behavior of the telecoms, PacNet and other undersea companies are looking to Oregon and Washington to end their cables. They are looking five years ahead, buying real estate and building data centers outside of California. If they can’t get their fiber to Silicon Valley, then they will make a new Silicon Valley outside of California. That means all those jobs and the associated tax base will move out of California. Google and Amazon are among many companies building data centers up in Oregon and Washington.

- h. In Mendocino the staff met with more community leaders, including County Superintendent of Schools Paul Tichinin, Supervisor Dan Hamburg, Mayor of Fort Bragg Dave Turner, MCN Business manager Mitch Sprague, Mendocino Unified School District Superintendent Jason Morris, County librarian Mindy Kittay, Heidi Dickerson, district representative for Congressman Jared Huffman. Paul Tichinin spoke of the challenges of the need for future broadband with state testing requirements coming on-line soon, and the real problem of our students going home at night and not have the connectivity to keep up with their homework and research.
- i. At their stop in Mendocino, Supervisor Hamburg asked them a very good question: "If not Golden Bear, then what? There is no other application in northern California that has put together a plan with the sixteen counties which addresses this great need."
- j. Staff is working with Mitch, but they have sets of rules that they are required to work within. They have asked GBB for some data requests, and Mitch is in the process of answering them, with four out of six requests completed. Then the staff will analyze that data for a week or so.
- k. Mitch believes that the R1CP looks good, as there are nearly 5,000 households that have substandard or no service. Although it has a high cost, it is one of the areas of greatest need. He doubts that the carriers will take care of it, because they are building in areas where there are higher population densities and more attractive ROI. This is the reason CASF exists, to subsidize investment in low-density areas where the ROI is less attractive.
- l. The demand for internet is growing and has no end in sight. Mitch believes that all copper should be replaced with fiber, as the maximum amount of technology on copper (in good shape) is 6-12 MB (maybe 25 MB if the copper is bonded). As an example, as featured on the Sunday night news, the technology of telemedicine uses 100MB connections, and that technology is only increasing.
- m. It is estimated that northern California needs close to \$300 million to close this gap. The good news is that our group is organized and focused on this effort.
- n. It seems that there are two competing philosophies at work: the telcos are promoting wireless as the fix to all our problems, and that there is no need for fixed infrastructure. That is the message that their lobbyists are conveying in Washington.
- o. The competing philosophy is that you need the fixed infrastructure to support the wireless, and that device such as TVs use much more bandwidth than what wireless can support.
- p. Steve Sharpe commented that we need to build some sort of relationship with the carriers, and that we understand that they have a business model to match but also that they know our interest is that the service gets provided.
- q. Brian, who is in the business, said that they do speak and join us when it is in their interests, and that is when it comes to "wireless". They will oppose us when it comes to "fixed line" as they see that as a competitive threat.
- r. Cathy announced that on Tuesday, Oct. 15th from 4-5:30 pm, CPUC Commissioner Sandoval and her advisor will be present in Redding to hear from community members about broadband.

- s. This is a public meeting that the consortia set up, and that Cathy will help facilitate. It will be held at the Shasta Builders Exchange, which can hold up to 100 people. She would welcome our attendance, but we should please notify her assistant if we would like to attend. For any questions please contact Cathy at cmemerson@csuchico.edu or 530-898-3862; If you would like to RSVP to the meeting please contact Lollie Deyong, ldeyoung@csuchico.edu.
- t. Mendocino Supervisor Carre Brown said that she received an email about a Local Government Officials Roundtable to explore opportunities to promote broadband infrastructure throughout California which was sent to county supervisors. The California Emerging Technology Fund (CETF) is a partner organization for this roundtable and will be held on Oct. 17th and 18th. She thought it might be a good opportunity to provide input to the state broadband leadership about the challenges in rural counties.

6. First Net Update – Randal MacDonald

- a. Randy MacDonald is a member of the Fire and Public Safety Communication Committees in Mendocino County, and is a liaison for those groups and the Alliance. He provided a FirstNet update to attendees.
- b. From the website <http://www.ntia.doc.gov/category/public-safety>: FirstNet stands for “First Responder Network Authority”, and is the framework for the deployment and operation of a much-needed nationwide interoperable broadband network that will help police, firefighters, emergency medical service professionals and other public safety officials stay safe and do their jobs. FirstNet is charged with taking “all actions necessary” to build, deploy, and operate the network, in consultation with Federal, State, tribal and local public safety entities, and other key stakeholders. FirstNet is an independent authority within the National Transportation Telecommunications and Information Administration (NTIA), and was created when Congress enacted The Middle Class Tax Relief and Job Creation Act of 2012. This came out of the 911 Commission recommendations,
- c. Randy reported that seven billion dollars have been allocated by Congress for the national FirstNet network; they have formed a board, hired a general manager and staff, and put out requests for information.
- d. They are still “getting their act together”; they don’t have their business plan yet, because they need to develop their technology plan first.
- e. They held the third of six consultation meetings in San Francisco on May 29th and 30th, in which the western states representatives met. Eleven representatives from California attended. Randy provided the Alliance with the notes from that meeting, which we included when we sent out the Alliance meeting notes from 8/23. (If you would like a copy contact Trish and she will send them to you; <mailto:admincoordinator@mendocinobroadband.org>)
- f. Thomas MacLellan, Director of Homeland Security and Public Safety Division, stressed at this meeting that FirstNet has made no decisions yet on the design of the system, and that the purpose of the meeting was to gather information and address concerns.
- g. Another point Randy made is that FirstNet will not force any public safety entities to join the network. It is the responsibility of FirstNet to make it affordable and enticing

enough for the states to participate, and to influence public safety entities to discard their current commercial wireless data services for FirstNet. The project will be considered a failure if it does not deliver on the design and provide ubiquitous adoption.

- h. States can choose to “opt-in” or “opt-out”. An opt-out would obligate states to provide an alternate plan and funding, with federal funds available but with no guarantees that they will be sufficient to complete the project.
- i. California is looking at opting out.
- j. Baseline coverage maps are available through a technical assistance program through the Office of Emergency Communications. However, these maps were developed through the use of public information available through the FCC and Wireless Industry providers. We can only assume that the maps will have the same problems that the national broadband coverage maps have.
- k. Planning for this network will include identifying all radio and cell towers, data centers and fiber backhaul assets in the state. Data points will include identifying ownership, capacity, operating expenses, power source, and availability.
- l. Current commercial 4G LTE devices will not work on the proposed network; new devices will need to meet public safety standards and must be able to operate on Band 14, and also be able to operate on commercial networks for redundancy.
- m. A state and local implementation program was created and funded, with \$5.2 million to CA in grant funds. Karen Wong is the Director of the Public Safety Communications Office, so she will be in charge of how these funds are allocated. Again, this planning effort is to collect information about assets.
- n. Randy recommends that this group works with the county OES and go to Karen Wong and say, “We are a resource to you, we are working with the CPUC on mapping, and we can help you identify assets.”
- o. Randy said that the hope was for the feds to get going on building, and that local groups could then leverage this to move forward; unfortunately, it looks like it will be a long time before this happens, as it will be 12-18 months alone for the RFP’s to go to the states.
- p. There are guidelines on the implementation of the network, and in Mendocino County there are not enough cell towers, so we will have to put some planning into that build out.
- q. Our local public safety agencies have no unifying group over them. Sometimes we use the Office of Emergency Services (OES), but the county has an OES, and now the state has their own OES.
- r. Local agencies were hoping that the money might go to the counties and regions to do some planning, and have it dovetail into their county plans.
- s. Since the state is looking at the Bay Area Network System as a model, Randy is afraid that the rural perspective will get the short thrift, and he doesn’t see how it will dovetail with county plans. The truth about what is being deployed in our county is critical, and we need to focus our efforts here.
- t. Mitch added that Golden Bear Broadband can facilitate the needs of FirstNet/public safety. They added FirstNet into their application, so CPUC staff knows that GBB is

“standing by.” They are looking at building 5-7 new cell towers along the coast in their application.

- u. Randy wants to get that message to Karen Wong; we should meet with her and establish staff relationships with relevant people, and explicitly leverage the GBB.
- v. If Karen would lobby the CPUC in favor of GBB in the interests of FirstNet that would be extremely helpful.

7. MCOE CalTrans Transportation Planning Grant -“Bridging the Digital Divide in Mendocino County” – Steve Turner

- a. Steve Turner, Director of Maintenance for the Mendocino County Office of Education, gave a brief background of the grant application and an update. Because the national broadband maps are so problematic and we feel do not represent the ground truth, the BAMC and MCOE partnered with Mendocino Council of Governments (MCOG) to apply for a Caltrans environmental justice grant to do our own ground truth mapping. The grant would measure broadband deployment and affordability for families within the Mendocino County school system, can create a template which could be replicated in other areas. These surveys would then represent 10-15% of the county population.
- b. In Sonoma County they tried to do the same thing, but were rejected at the beginning, so we are hoping that we have better luck with this application.
- c. Steve said that they are still waiting to hear whether the grant has been funded, and that they expect to hear a decision any time now.

8. Meeting Adjourned at 12:00

Next meeting: Sept. 27th