

Middle-Mile Advisory Committee Meeting
 January 19, 2024
 Minutes and Transcript

The Middle-Mile Advisory Committee met on Friday, January 19, at 10:00am PST via virtual conference and in-person.

Agenda Item 1: Welcome

CIO & Directorate Bailey-Crimmins welcomed everyone to the meeting.

Directorate Bailey-Crimmins welcomed and thanked all MMAC members, designees, presenters and attendees.

A quorum for the meeting was established.

Member		Designee	Present	Absent
California Department of Technology	Director Bailey-Crimmins		X	
California Public Utilities Commission	President Reynolds		X	
Department of Finance	Chief Deputy Director Miller		X	
Government Operations Agency	Secretary Tong		X	
Department of Transportation	Director Tavares	Designee was Chief Deputy Director Keever	X	
State Senate	Senator Gonzalez	(Ex-Officio Member)		X
State Senate	Senator McGuire	(Ex-Officio Member)		X
State Assembly	Assembly Member Tasha Boerner	(Ex-Officio Member)	X	
State Assembly	Assembly Member Wood	(Ex-Officio Member)	X	
County of Monterey, District 1	Supervisor Alejo	Local Government Representatives	X	

County of Del Norte, District 2	Valerie Starkey	Local Government Representatives	X	
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Agenda Item 2: Executive Report Out

Mark Monroe provided the executive report out, focusing on the second round of the RFI²; responses are due January 26th. MMBI is expecting to yield many joint build & lease/purchase partnerships. The Governor's budget proposal was also discussed - \$1.5 billion are included over the next two years to complete the network.

Agenda Item 3: Project Updates

- **Mark Monroe** provided the California Department of Technology's (CDT's) update on the collaboration of the 10,000 miles:
 - A 2024 milestones timeline was shared on the current joint build & lease/purchases.
 - A briefing was shared on what's ahead in 2024 regarding materials delivery vault installation, micro-trenching and horizontal drilling.
 - Updated project timeline was shared.
 - There have been over 40 different stakeholder engagements since October 2023
- **Scott Adams** gave quick update on Broadband for All engagement.
- **Monica Hernandez** provided a CDT Stakeholder & Engagement & Communications Plan update; **Mark Monroe & Hang Liang** provided CDT Website & Maps Update:
 - This year the communications team will begin to have regular stakeholder meetings to foster engagement. These meetings will be utilized to discuss increased proactive electronic communications and mapping updates.
 - Starting on the last Monday of each month we there will be a public online map update log.
 - These updates will include information on lease/purchase agreements, construction joint build, data reconciliation, permitting, physical barriers and network functionality.
- **Janice Benton** provided a California Department of Transportation (DOT/Caltrans) update focused on project delivery:
 - Preconstruction progress (environmental, permitting and design)
 - 40% completed tasks and 60% tasks in progress
 - Preconstruction Delivery Plan – anticipated number of miles delivered this year in Regions 1 - 5:
 - 394 miles in Q1; 235 miles in Q2; 1,170 miles in Q3, and 2,121 miles in Q4
 - Project momentum: see construction ready areas in State Route 74 in Riverside County and State Route 20 in Mendocino County
- **Erik Hunsinger** with GoldenStateNet (GSN) & **Joanne Hovis** with Broadband Equity Partnership (BEP) provided an update on network operations sustainability:
 - Experience based on publicly owned middle-mile networks were discussed and how it pertains to MMBI

- Many initially were self-supported, open middle-mile networks; some sustained by the public; and others that struggled financially due to failure of execution
- Key takeaways: publicly ran networks need assistance to generate enough revenue to cover operating costs; states are most successful when services are provided for both public and private users; preliminary assessments indicate that MMBI can be operated on a self-sustaining basis.
- MMBI Scale is the largest public long haul open access network in the US
 - 10,000+ miles, 20,000 access points, 180 electronics and 4,000 electronic components
- Essential operation activities include: Network operation center (NOC), regular maintenance and inspections (electronics, huts and fiber) and statewide fiber repair.
- Operation areas: service delivery, finances, NOC, plant management, engineering, development operations and sales/product operations
 - Systems include: fiber management, hut inventory, network management, financial system, sales & CRM database
- **Maria Ellis** provided a California Public Utilities Commission (CPUC) update focused on:
 - Broadband Investment Last Mile Initiative (snapshot)
 - Federal Funding Account (FFA) applications⁴
 - \$2 Billion for last mile infrastructure projects to deliver broadband to unserved communities – objection process closed 12/18/23
 - Loan Loss Reserve Program
 - Proposed decision issued
 - Outreach, application and first awards targeted for Q1 – Q3
 - CA Advanced Services Fund (CASF) Grants
 - Adoption, Public Housing, Infrastructure, & Tribal Technical Assistance
 - Broadband Equity, Access, and Deployment (BEAD)
 - CPUC will continue to conduct outreach, conduct challenge process for eligibility map, run grant application process & propose subgrantees, submit final proposal (see timeline)
 - Primary goal: deploy last-mile service to unserved and underserved
- **Mark Monroe** reiterated the eagerness for public engagement and partnerships. The newsletter QR code was shared to receive MMBI updates. The 2024 dates for MMAC were shared:
 - January 19, 2024
 - April 19, 2024
 - July 19, 2024
 - October 18, 2024

Agenda Item 4: Public Comment

Public comments were made by:

- Georgia Savage, Oakland Undivided
- Patrick Messac, Oakland Undivided
- Maddie Ribble, The Children's Partnership

- Linnea Jackson, Hoopa Valley Tribe
- Larry Yee, public speaker
- SGV Progressives

Members Final Comments

Chief Deputy Director Miller: The amount of work that has been done by the team in the last few months is truly extraordinary and the commitment to community is remarkable. Very proud of the state for exercising humility and professionalism to arrive at this phase of the project and I have gratitude to the entire team.

Assemblymember Wood: As a member of the legislature, I want to thank the Governor for continuing the support of Broadband as it is critically important to California. This is one of the things I plan to fight for as a legislature to obtain funding for this to remain in the budget. I ask difficult questions in order to get the best outcome for my constituents. This is my last year in the legislature, and I will continue to fight to keep this funding in the budget. Thank you.

Supervisor Alejo: I'd like to take the time to acknowledge that the Governor fulfilled his commitment which was released in his budget proposal. We know that the \$1.5 billion is spread out over the next 2 fiscal years. I just want to comment that effort so that we can build out the full 10,000 miles as was promised to the people of California. This is easier said than done; the LAO had a deficit projected greater than what was in the Governor's proposal so there needs to be an effort so when that money comes into the budget it's voted upon in June. I look forward to being a champion in making sure that money remains there with legislative support.

Director Bailey-Crimmins: Thank you to all of the members, designees, presenters and attendees. It takes a village – all of us locked arm-in-arm to address this at the committee level, ground level and the last mile level. If you are interested in participating in stakeholder meetings there will opportunities available during outreach that will be posted on our website.

Closing Remarks

The MMBI email was shared (MiddleMile@state.ca.gov) Directorate Bailey-Crimmins thanked Committee members, staff, partners, and attendees and confirmed that the next MMAC meeting is scheduled for April 19, 2024.

The meeting adjourned at 12:14pm PST.

Transcript

The Chair: We see that more people are joining. So we're just giving everyone just a moment. All right. Good morning and welcome. This is our first meeting in 2024 we are starting our January 19th 2024, middle-mile Advisory Committee meeting, and our first order of business is roll call. Miss Alvarado, will you please call roll and go over the housekeeping items?

Alicia Alvarado: Thank you. Housekeeping and rules statement. Attendees, please note there is time allocated at the end of the meeting for public comment, either in person, via Zoom, Phone or email. Presenters, please cue to advance these slides. Committee members, please raise your hands to speak and ex-officios please use the raise hand feature on zoom to cue Director Bailey Crimmins to call you to speak. Now committee member roll call, State CIO and Director Bailey Crimmins.

The Chair: Here.

Alicia Alvarado: President Reynolds.

President Reynolds: Here.

Alicia Alvarado: Chief Deputy Director Miller.

Gayle Miller: Here.

Alicia Alvarado: Director Tavares.

Michael Keever: Michael Keever here for Director Tavares.

Alicia Alvarado: Secretary Tong.

Amy Tong: Here.

Alicia Alvarado: Senator Gonzalez.

Alicia Alvarado: Senator McGuire.

Alicia Alvarado: Assembly Member Boerner.

Alicia Alvarado: Assembly Member Wood.

Assembly Member Wood: Here.

Alicia Alvarado: Supervisor Alejo.

Supervisor Alejo: Present.

Alicia Alvarado: Supervisor Starkey.

Valerie Starkey: I am here.

Alicia Alvarado: Director Bailey-Crimmins we have a quorum.

The Chair: Thank you, Ms. Alvarado. First of all, thank you for everyone that's attending today's meeting. You're going to hear from the Department of Technology, Caltrans, a special guest CTC Technology and Energy and our third-party Administrator Golden State Net. Our also Partner CPUC, on their progress towards meeting the governors and the Legislature's goal of broadband for all. We have an information rich agenda today, and so we expect to stay within time. But for some reason we hit the 2-hour mark, I will call for a short recess. And so just making sure that everyone's aware of that. So are there any committee members that would like to provide comments before we get started with the updates. We'll start in the room. I see none. Virtually, are there any Alicia? Thank you very much. The first agenda, item number 2 is the executive report out from Mr. Mark Monroe.

Mark Monroe: Good morning, chair members. I'm glad to have the opportunity to provide an update for you this morning on the MMBI project. As the chair noted, we have a dense agenda this morning that we'll try to go through at pace. CDT and its partners have been very busy over the last 3 months and since we last met in October, and we'll be providing a number of updates today. The MMBI project is really headed into the new season of construction. Many of the members may remember that the CDT, Caltrans, CPUC and the TPA went to work immediately following passage of the 2021 Budget Act and SP 156 developing the initial network design, revising permitting processes, going out to bid on construction and issuing an RFI2 solicitation to find lease and joint build partners. During all of this time Caltrans has continued to work towards completing permitting and design work on to support completion of the full MMBI network. All of these simultaneous efforts were necessary for meeting the Federal deadline that we're continuing to pursue. This work is paid off, and as you'll hear this morning the MMBI project is beginning to move firmly into the stage of physical progress. 2024 is the year many of us have been working towards to move from planning and design into construction. This morning the CDT will provide an update on the status of its partnerships, and the anticipated start and completion dates that are expected throughout 2024. Similarly, Caltrans will be presenting it's much anticipated schedule for completing pre-construction and construction readiness throughout 2024. So we are entering into a new and exciting season that I think we've all been looking towards. Through the regular MMAC meetings, the MMBI website and other engagements, CDT has tried to keep the public up to date on the status of the project. Yet, we understand for a project of this magnitude affecting this many Californians, and which continues to move quickly there is a need for continuing improvements in this effort. This morning CDT will be presenting a new stakeholder engagement plan, new improvements to its MMBI website and the clarification on how CDT will continue to communicate refinements to the project. We also begin some discussions this morning on operations of the network as we move forward with building here. The logical next step is to consider, what it's going to take to operate and move into the operation stage in the future here. Now, we will also hear from the CPUCs update on the important last mile programs that will provide the connectivity that we've all been working towards here. This morning, I want to highlight two things that have occurred since our last MMAC meeting in October. You can go to the next slide. The first is the CDT has gone out with another RFI² solicitation. Most will remember

that the first time we did this yielded a full two-thirds of the network which is now under contract. And so, some of the local stakeholders noted that they were aware of other providers that might have participated if locals had known more about the first RFI2. Such that, and CDT went out with another RFI2 solicitation in November to identify any more network miles that can be accelerated and held an innovators conference to present the project, answer questions and encourage participation. Responses to this second RFI2 process are due from bidders January 26th and CDT anticipates negotiating and developing those proposals between February and July of this year, we're really hoping for a robust participation in this second RFI2 process. We can go to the next slide. Secondly, we want to note that the Governor's budget, which came out last week includes 1.5 billion dollars in additional funding over 2 years. For this project includes 250 million dollars that we would get in 2024-25, with the remaining 1.25 billion in 2025-26. These new resources will be key for funding both Caltrans construction and any new partnerships that we that we're able to achieve through the new RFI2 process. And with that concludes my executive report out.

The Chair: Thank you, Mr. Monroe. Do any committee members have questions or comments about the executive report out? Alright. I see none, so we'll go ahead and go to the next agenda item. The first up is Monica Hernandez and Hang Liang, who are going to talk about stakeholder relations.

Monica Hernandez: Excuse me, Director, we actually have a bit more from Mark. Sorry we ended a little bit to prematurely.

Mark Monroe: So I have additional updates to go through, so we can go to the next slide should be. Yes, there we go. Want to point out in terms of our partnership in addition to the RFI2 partnerships, we have been glad to work with the LA City Bureau of Lights, City of Vacaville, and the City of Fort Bragg, as they basically are sharing construction costs. And so, three different examples of government-to-government arrangements where in the case of the LA City Bureau of Lights, we'll be doing a joint build with them. They've got a lighting project and this is going to really help achieve some savings for both of us and building this out for the city of Vacaville. We actually Sven, part of our Sven lease goes through the city, and we'll arranged for them to share the construction costs there to really benefit both the city and the project. And then, in the case of the city of Fort Bragg, that's another joint build where they'll be working with us and sharing part of our construction contract to build out so just want to highlight those, and as well as encourage any other partners that might think they have a project that might be able to help, or we might be able to share construction costs reach out to us and we're happy to explore those opportunities. Next, I want to provide an update on the status of the joint build and lease partnership projects, that were generated by CDTs previous RFI2 project. So, if we go to the next slide, we can see that in terms of starting work Arcadian in December broke ground on the first of 5 projects that will total more than a 1,000 of the network. And then in this quarter we expect Lumen to begin construction on its segments which will total almost 1,900 miles. And this work primarily involves pulling fiber through existing conduit, as this is largely, a lease. Zayo will begin construction on its 193 mile joint build project along State Route 395 in the Northeastern region of the State. And then in the next quarter, Siskiyou Tel will begin its 165 mile joint build project in Siskiyou County, as well as Vero will also

begin construction on its joint build project along State Route 101 in Humboldt. So, as I noted, we're moving to construction. We can go to the next slide here. Because several of our partners had a head start on their projects, we also want to report on some anticipated completion timeframes. Bolden is already well into its work, pulling new fiber and installing vaults along its more than 80 mile lease area throughout the Bay area and anticipates completing this work by the third quarter of this year. Similarly, TPN is well into construction on the 170 mile segment of the network, we will be leasing over State route 299. And anticipates completing conduit fiber involved installation by the fourth quarter of this year. Zayo, which has mentioned previously will be starting construction in the next quarter. They've been under project development for several years already, and so they anticipate completing their work by the fourth quarter of this year. And I'll just note that as we look at our partners completing their work, after the completion of these components, they will still need to install the huts and the electronics, which is scheduled for 2025. So, you can see we're moving into construction and Caltrans will be providing more of an update on its work in a few minutes. And I'll just note in terms of what's ahead. I'm going to jump to the next slide. We've got the electronics procurement. I think hopefully, we've been able to explain the importance of electronics. They repeat the signal. We've got to have them in the huts every 50 miles, and so that is out, and we expect to receive bids next week on electronics procurement. As I noted, we've got the RFI2 proposals that will be due on the 26th of January. And then we're looking forward to completion of pre-construction on Caltrans segments throughout 2024, and they'll be talking more about that. And then in terms of the rollout of the partner construction efforts here that we've just discussed. I'll just note that if we jump to the next slide really quick. As we begin to discuss the stakeholder engagement efforts. I want to note that CDT has had more than 40 outreach engagements since the October MMAC meeting. With over 450 stakeholders invited, including tribes, local governments and a range of community organizations. So next, I want to introduce Monica Hernandez, CDTs communications deputy, who will be presenting a new stakeholder engagement plan and Hang Liang, from CDTs MMBI GIS team, who will be presenting improvements to CDTs MMBI website surrounding our ongoing efforts to provide better mapping data. So with that, I'll turn it over to Monica.

Monica Hernandez: Good morning, members. I'm Monica Hernandez deputy director for communications and stakeholder relations. It's my pleasure to be here with you. You may recall I'm fairly new to this position. I'm just about 3 months in and excited to be joining in on a dynamic department and also work on this fantastic project. So before you, you have a draft framework. We wanted to really take a hard look at ourselves, and in the spirit of continuous improvement, and responding to your direction at the last MMAC, to improve our transparency and stakeholder communication. Underpinning this framework, are ways to address public comments as well, which I was here at the last MMAC that was about 2 weeks in for me. I want to talk briefly about something new that we want to introduce beginning next month, and that's stakeholder meetings. So these are meetings that would be held ahead of forthcoming MMAC meetings, where our teams, both in partnership and collaboration with Caltrans and the Public Utilities Commission we will provide updates. And why we want to do these stakeholder meetings is to truly create a two-way dialogue where stakeholders can ask questions in real time about the information we are presenting,

and we can respond and collaborate. In these meetings we also want to create a dialogue for the tough questions, and we want to be able to engage with our stakeholders and really provide the information in a way that is accessible. So, stakeholders aren't beholden to just look at our website, this way we are being more proactive. So, in these meetings in addition to holding those, we want to have an evaluation at each meeting that is both evaluating the content we're providing, but creating an open opportunity for stakeholders to tell us what else they want us to provide. What other things are they curious about? What information might be helpful for them in their efforts to, you know, support this project, support its success and continue to advance it. Additionally, we are creating enhanced electronic communications. You're all familiar, I believe, with our monthly broadband for all Newsletter which has summary information. We're going to continue to use that tool but broaden what we provide in terms of the middle mile content and direct folks to a new section which you will see shortly on our website that will have not just a monthly update but progress reports. So as we are continuing to make milestones, rather than hearing them on a quarterly basis, our stakeholders will get them on a monthly basis and then as appropriate, we'll continue to update the website on a more frequent basis as well. For the stakeholder meetings I do want to note our intended audiences are stakeholders like advocacy groups, associations, members of the public. I do want to highlight that we do work on a government-to-government basis. So any municipality, city, county, a utility, a local utility that wants to engage with CDT will actually do that with our staff directly. So the examples you heard earlier around the joint builds with LA City Bureau of Lights, those communities, those partners I should say, are not coming in through this stakeholder door. This really is our interested stakeholders. Folks who are wanting to follow the project, wanting to be engaged, and wanting to have the information that that we are providing. And then, if I can have the next slide, please. This is a snapshot of the What's New section of the Middle Mile Website. This will be updated at a minimum on the last Monday of each month that will include milestones. It will include information that is important to our stakeholders. It will include meetings. We will also include things like groundbreaking. We've had a number of groundbreaking both Caltrans and our joint build partners. And we want to celebrate that because we think it's very important to show the progress that we are making, as Mark noted, into construction from planning to implementation. And then, if I can have the next slide, please. We're going to talk a little bit about our mapping improvements. We spent a lot of time over the last quarter, really thinking about the comments that we've heard from you, the direction that you gave us to think about ways we are communicating more effectively, more regularly, and in ways that are easy to understand, not overly technical with our stakeholders. So we've spent a lot of time working on our maps and our website. First, we're going to talk a little bit about the improvements that we have made to have members of the public easily access on our online map joint build lease, purchase partnership. So, after that we're going to talk through the specifics of the type of map updates that everyone should anticipate and why people should anticipate and why they are happening. That's really important message that we hope you can take away. So if I can have the next slide, please. Thank you. As you know, we unfortunately created some confusion with our map early on. This base map is what is on our website and should be really recognized as our conceptual map. This map was designed and conceptualized with the best data available at the time. We're moving towards a

construction phase. And with construction phases comes more specific data on the ground data. It's not at the 10,000 foot level. So, as that data comes in, there are refinements from time to time. And those are not refinements that CDT is requesting these are on the ground engineering refinements or issues like a physical barrier that you wouldn't see from that 10,000 foot design level. So we're going to talk through some of those specifics. But before we move on to that, I'm going to turn it over to a couple of key points I want to make. When we talk about the map updates we've heard at the staff level that we need to be transparent and consistent. And so as we move through our presentation, we're going to show you exactly how we're doing that. I want to turn it over to my colleague, Hang Liang, who has been an incredible partner in looking to find solutions and increase our transparency.

Hang Liang: Thank you. Good morning, everyone. What we're looking on the screen is our map application with a view of the Middle Mile network at the state level thanks to the yeah GIS team working behind the scenes. Next, please. We are excited to share that the partner level view will be available on the last Monday of this month a preview is shown on the screen. Here the colors indicate joint build lease, purchase and construction. Clicking on one of the colored lines will open up a pop-up window with a partner's information and highlight the span of the network. This example is for demonstration or purpose only. While I'm able to zoom through all the steps within one click in the slides in real time, using the map application. It'll take a couple more clicks to get to partner information. We're not demoing today in the interest of time. However, we will post a user guide on our website to anyone who needs it. In addition to the visualizations, we will also be adding a web page with the data in a table to ensure the information is accessible to anyone using a screen reader. Next, please. Another update coming this month is the map update log. This is what the stakeholders will see, we've built this log as a summary of updates and the construction partner driving the updates. While some of the updates are not visible unless a user zooms in closely. We want to be transparent in sharing the details and context. I will now turn it over to Mark to walk you through the type of map updates, everyone should anticipate, as the construction of the network continues.

Mark Monroe: Alright. Thank you very much now. For that presentation. And for all the team, the work that your team has done in putting together and preparing these improvements to the Mbi project to help it be more transparent. The purpose of the Middle Mile Broadband initiative conceptual map is to have a conceptual map to visualize a resilient middle mile broadband network that will connect communities that are unserved and underserved by broadband services. The conceptual routes were developed in accordance with SB 156, with the best available data, and assumed the use of State-owned right away for the for the full network. As the MMBI network moves from conceptual to detail design and construction and through the opportunities presented through the joint build leases and purchase agreements. There are some route refinements are that are being updated on the MMBI website, and these will generally be driven by data reconciliation permitting needs. We can go to the next slide. The reconciliation permitting needs physical barriers that are encountered along the way. As well as other network functionality needs. So if we can go to the next slide real briefly here, I'll kind of cover some examples here. The lease purchase agreements make up the vast majority of the updates we have seen and updates we anticipate

that the slide here illustrates one primary reason for map adjustments, which is when an example of where a lease in this case with CVIN will run slightly off of the State highway system and the map will need to be corrected. To reflect this, you can see that the dotted line there. Go to the next line, in terms of an example of a data cleanup, occurs when we receive new data file from partners. And it's differences from the base map in this case here you can see where there was always an intent for these 2 segments to connect. But when you zoom into the map there was a gap. And so we're trying to complete those that reconciliation. And then, go to the next slide. Another example of adjustments that will need to be made to the map include those where given inconsistent permitting and project timeframes in this case construction you know, another construction project along State Route 99. It makes more sense for a partner to move off of the State highway network to speed up completion of the project. And so that's in a lot of cases I know we've tried to do a dig smart projects where that makes sense. But there might be cases where it just makes more sense to be off of the State highway network. The next slide here the slide reflects an instance where the map runs into a physical barrier. In this case a section of state route 105 that crosses LAX. In this case we're moving the route to a frontage road to expedite delivery. Since we can't build along LAX, or that would be a long and complicated process. Go to the next slide. Lastly, there's an example of a change driven by network functionality. In this case there was a gap in the original map, due to the fact that the segment is not on the State highway system. You can see the dotted line there. In this case we're having the TPA work with Caltrans to build this connection, to improve the resiliency and close this gap. And so from, go to the next slide. Just to recap CDT will be posting these updates on a monthly basis. We will be posting changes on an updated log that Ms. Liang mentioned on our website, and these adjustment summaries will be posted on our what's new section of our website. And we're hoping that this really helps provide better and more up-to-date information on how communities can connect to the middle mile. And then, as I wrap up CDTs project update I want to turn to Scott Adams, the Deputy Director for the office of Broadband and Digital Literacy. To make a brief statement on the progress of the State's digital equity plan. Scott.

Scott Adams: Yeah, thanks Director Monroe. I am Scott Adams Deputy Director of broadband and Digital Literacy. And it's my pleasure for a brief update on the State digital equity plan which falls under the umbrella of the State broadband for all program. Just wanted to let folks know that the drafts that was developed with input from over 50,000 California residents and partners, and was made public on December 12th of last year, which began a 45 blue public comment process. Any residents or partners interested in reviewing the draft and providing public comment to further shape the plan may do so until the close of the public comment period, which is next Thursday, January 25th. The plan can be found on the broadband for all portal state digital equity planning webpage. And just want to note that we'll be providing a further update on the digital equity plan at next week's California broadband council meeting. Back to you, Mark.

Monica Hernandez: Thank you. There were 3 points that I neglected to state in my presentation that I think are very relevant, and I know you care about. As stated, we will be publishing map updates on the last Monday of each month. But we will also

keep a historical log of the previous version of the map on the website as well, so that anyone who is interested is not having to memorize or somehow do, some sort of screenshot. So that was really important. I wanted you to be aware of that. Additionally, we have a half mile threshold of a route refinement that would necessitate a local briefing, so that the local leaders the local elected will be briefed on any route refinement that is a half mile or greater. Additionally, if it is moved to one side of a significant physical barrier or another, that local community, even if it is just quarter mile will be notified as well and briefed so that they are aware of what's happening as well. My third point is that our CDT staff have developed a process for consultation with the PUC on any FFA applications associated with any route refinements, so the teams will be working on those. Thank you.

Mark Monroe: Alright, thank you very much, Miss Hernandez. And with that that ends CDTs project update, and we're happy to answer any questions.

The Chair: Thank you, Mr. Monroe, Ms. Hernandez, Ms. Liang and Mr. Adams, a very comprehensive department of technology update. I'd like to open it up to the members to see if they have any questions or comments for the team. I see Secretary Tong always first in line. So, Secretary Tong, if you like to make a question.

Amy Tong: I don't have to be the first. If there's other member wants to jump in first, but I do have a few questions. I wanted to talk to the presenters now, just to clarify. But again, I don't want to be the first all the time. All right, I'm just going to go. So thank you, team for that comprehensive update. I really, really appreciate the extra effort that has been showcased today. And in really, in response to the public comments that has been, you know, articulated in the past few meetings about what can be done to increase the transparency whenever there is a map or, I should say, lined modification. And in this case, I wish Mr. Monroe, you can go a little bit slower on those examples of why the lines need to be moved. But I appreciate Ms. Hernandez, your summary is that sounds like the threshold for these type of lines not only to be displayed on the website showing what the differences are. There's also, if it's more than a half mile, which is you know, quite small. Actually, I really appreciate the extra effort. There's going to be extra briefing that can be held with the local community or those interested parties to, to hear that. Is that correct?

Monica Hernandez: That's correct. Our immediate audience would be the city county local staff, and we would encourage them as you know, it's a big state, and we don't know all of the local stakeholders. So we would rely on the locals to help us bring in additional stakeholders.

Amy Tong: Yeah, no, that's very, very good. And also I also want to acknowledge the fact that and just for someone that has been tracking this project quite closely. You know it's very appreciative of the CDTs effort to go to extra mile, to deliberately show the difference of why these lines are happening, because if you only hear or not known of this detail, you know, somehow people think, oh, willing nillying you know CDT, just kind of sitting around moving these lines around. But the reality is, that are either due to necessity of there's a barrier like the LAX airport example that you don't want to go through that you do need to move. As well as when you're zooming to a

particular area, you want to close the small gap that might be left, you know, open before as well as if there's a permitting opportunity which I know Caltrans appreciates that. And I know many of our elected officials have also looked for this or leverage existing efforts, so if there's a permitting opportunity then you can leverage, let's do that rather than starting something new. So I very much appreciate. And I encourage our audience who's tracking all of these developments, take the time to utilize this information that is available online to really understand what is going on before, perhaps conclusions were made on why these lines are moving. Just want to, you know make that a known fact to folks. Just to close, that was more of a statement than question, sorry. I do have a question just to close my comment here. Ms. Hernandez, you mentioned earlier there is a stakeholder list or gathering that is different than the government to government, which is cited as you know, cities, or even tribal. We treat them as more of a government to government. Can you elaborate that on a little bit? Because we do have organizations who works with the cities versus the actual city themselves. And sometimes, you know, there's a mixture of who's actually representing the city. So can you maybe elaborate a little bit about engagement of stakeholders. You know, truly versus government to government.

Monica Hernandez: Sure, with the stakeholders we're wanting to bring in while we wouldn't preclude a city or county staff member from attending. This really is targeted for partners like advocacy groups, members of the public folks who are interested and engaged, but maybe don't have an official capacity in terms of being able to partner for things like a joint build to partner to reduce a permit Streamline that type of government-to-government function. We would never say you can't come, or you, you know, kick somebody out of a meeting. But this really is for the stakeholders who are not city county public employees. Also organizations. That represent, like the Rural Counties Associations that, for example, California Association of councils of governments. Right. That's the associations of COGs. Those types of quasi-governmental associations are also included. We have a stakeholder list that is already established. But we will encourage you know you don't have to be on our list to attend.

Amy Tong: Got it? Thank you so much for that. And then, if there's a clear differentiation which I applaud you for doing so. I would recommend on the plan that you share, actually call out the difference between stakeholder meeting versus government to government. So a little bit more definitive. But the idea here is that if you don't have a you know, local government's quote unquote official title. There's more than one channel for anybody who interested this to engage with CDT.

Monica Hernandez: Thank you. Yes, I will do that.

Amy Tong: Thank you. That's all I have.

The Chair: Thank you. Secretary. President Reynolds.

President Reynolds: Thank you. I wanted to start by thanking all the presenters. I really appreciated the presentation, and, Mr. Monroe, it is exciting to be in 2024, where we can start seeing construction begin. So that's great to hear. And I wanted to comment

on the website updates. I appreciate the clarity of the updates, and having a, you know, kind of known schedule of the first Monday of the month. So the public knows when to look for updates. And then I just wanted to specifically thank you for engaging with CPUC staff. We stand ready to coordinate and engage with you all on the updates. So thank you very much. Thank you.

The Chair: Thank you. President Reynolds. Is there any other comments or questions? All right, Mr. Keever?

Michael Keever: Ms. Hernandez, just to follow up on the stakeholder meetings. I think it's a wonderful addition to our outreach and engagement. A question I have those that are interested and are maybe hearing about them. How do they sign up? Will there be something on the website? How do they indicate their interest and get engaged.

Monica Hernandez: Great question. I will note that at the end of this slide there's an email that anyone can email us. Additionally on the middle mile website there's a contact on the top navigation bar you can contact. There's also an email in there. But we will be using our existing list as well. So some of our folks are here in the room with us today. I know many are listening. But if you are not on that list, I believe it is middle mile, I'm going to look at my colleagues. I apologize for not having that middle mile email memorized.

Mark Monroe: I can also note that on our website, there's a Contact Us tab, and that will take you directly to our email. And you can contact us that way.

Monica Hernandez: I don't want to say the wrong email. I apologize.

Alicia Alvarado: It's middlemile@state.ca.gov.

Monica Hernandez: Thank you.

The Chair: Thank you and Supervisor Alejo.

Supervisor Alejo: Thank you very much. First of all, I want to commend the staff for recognizing the need of always trying to strive to improve communication for a project of this size and such a great importance to our cities, our communities across the State. I appreciate the extra efforts that we're doing here. And it shows that we're responding to what we're hearing from our stakeholders that participate and are interested in this effort. Just a couple of questions. One was on the website, the updates, will it also list the entities or the businesses that we're leasing from? We had our California State Association of Counties yesterday, and some of the supervisors in place like in Modoc County, were interested in who are we leasing it from? Is it CVIN or Lumen? Would that information be on these website updates?

Monica Hernandez: Yes, that is both available on the website, Update log. And then the map that we showed that had the multicolored layers. Those are executed agreements, and it does display the entire network by the partner so you could click

on a specific segment, and it will light up, and it will show you who the development partner is.

Supervisor Alejo: And another question, I think, was for Mark. We had talked about this previously, but when there is changes to the maps and they may result, for example, in increased cost, because now there might be a physical barrier, river, that causes additional cost, and Mark was explaining to me that every area has a Federal funding account caseworker. But the question was, what kind of resources are available when there is additional cost, or the project needs to be addressed with additional kind of difficulties. Would there be funding or other assistance to local communities, to address those added cost to the project?

Mark Monroe: Yeah, so thank you for that question. As in going back to you know any of the map adjustments we make. We understand that in some cases they're going to be closer to some communities and further away from other communities than they were planning. And while we're still serving the same corridors, there might be some barriers. And so we've talked with the public utilities commission about this, and their direction is to reach out to their FFA case workers to look for options. I can't speak to all of the options that the caseworkers might be able to work on. But they're advising everyone when you look at the map and after submitting an FFA grant, and if there's a variance or anything that needs to be assumed differently to connect to the middle mile, to reach out to the PUC caseworker to be able to look for alternatives for closing that gap.

Supervisor Alejo: Thank you.

The Chair: Thank you, Supervisor. Are there any members virtually?

Assembly Member Wood: Thank you. Thank you. Very much. Appreciate the update. With regard to state. Are you, I heard a lot of different groups that were mentioned there. Are you including consortiums? Some of them that are actually trying to cobble together the funding for the last mile projects any of these little changes of middle mile may have a potential dramatic effect on the ability to deliver the last mile with our goal of trying to get Internet or broadband to everyone. I just want to know that these folks are actually on your stakeholder list.

Mark Monroe: Yes, thank you very much assembly member. Yes, that is correct. The consortia would be included as part of that outreach.

Assembly Member Wood: Okay, great. Thank you.

The Chair: Thank you, assembly member Wood. Is there any other questions? The only question or clarification I like to ask of the team is we talked about the RFI2 and the government-to-government partnerships, and sometimes we're just working through that process, and I know the RFI2 process has a deadline coming up, and we've done a lot of outreach and continue do more outreach. In fact, we talked about the LA Bureau City of Lights, and then there was three that you highlighted today, and there are others that are potentially in line to have conversations with us, it might be helpful

for the public to understand kind of the difference. And would a government to government have the same deadline potentially as the RFI2.

Mark Monroe: Thank you very much for that question. That's a really important point. No. Any government to governments that want to reach out to us, always lean on the side of contacting us. Reach out to us and let's look for alternatives. But no, that's a really important point is that the RFI2 process does not, or that the timeframe and process does not apply to the government-to-government negotiations and discussions that we've been having and the deals we've been reaching there so definitely reach out to us. Immediately it will be addressed, and we'll have the chance to look for that, those efficiencies there outside of that RFI2 process.

The Chair: Thank you for the clarification. All right. Well, go ahead and go to the next agenda item, and that is our Caltrans partner with Janice Benton.

Janice Benton: Thank you. Good morning, and Happy New Year Chair, Bailey Crimmins, Committee members, and others from the public. As Chair said my name is Janice Benton. I am the Assistant Deputy director over the Middle Mile Broadband Initiative for Caltrans, and will be providing an update on the progress being made for the Caltrans portion of the Middle Mile broadband network. Next slide. My update will focus on the Department's progress since October, including the headway being made in pre-construction work to have the projects ready to construct and putting work into the hands of contractors. I want to reinforce our commitment to having the Caltrans build miles ready to construct this year, and to complete construction on these segments of the Middle Mile network by 2026. Next slide. So as shared at previous MMAC meetings, this slide shows the progress we are making on the pre-construction work for the Caltrans build. This indicates the work we need to do to complete the design and secure the necessary environmental and right-of-way approvals and permits. For the task associated with the pre-construction work, Caltrans has completed 40% of those tasks with the remaining 60% of the project tasks in progress, next slide. The result of these pre-construction tasks is that this calendar year the Caltrans build segments will be construction ready. This slide shows a map of the Caltrans build with the segments in green. To start the year we expect 394 miles to be ready to construct in the first quarter. And when these miles are combined with the approximately 70 miles already in construction, it reflects the estimate shared at the October MMAC, that by the end of March 2024, we would start construction in each region across the State on approximately 450 miles of the Caltrans build. For the second quarter, by the end of June an additional 235 miles are expected to be ready to construct. In the third quarter an additional 1,170 miles will be ready. And by the end of the fourth quarter, December 2024, another 2,128 miles will be ready to construct, next slide. What this means is that over the course of this year Caltrans is anticipating having more than 3,900 miles ready to construct. The map on the slide, reflects how the green lines which are the Caltrans build segments, connect with the dark gray lines which are the joint build lease, and purchase segments that have been discussed earlier in this conversation. And as you look at the various locations of the Caltrans build, it also reveals the branches we are building, and how these miles extend the connectivity of the network into some of the remote communities. Factoring in the geography of the State, this also shows the challenges facing the

Caltrans build with segments winding through foothills along the coast and in the mountains. While we have the challenging miles I want to reinforce that we anticipate all 3,900 miles to be ready to construct this year with the commitment to complete construction of the entire Caltrans build by December 2026, next slide. And to that end I'm really excited to share some examples of the construction and work underway on the Caltrans Bill segments. The photos on the left show work in Riverside County on State Route 74, where we are leveraging a dig smart opportunity to include approximately 11 miles of the network with the transportation project. The photos on the right and in the middle show the trenching and conduit installation happening on an 11 mile segment on State Route 20 in Mendocino County. And not shown on this slide in Death Valley National Park on State Route 190 the contractor will be incorporating some of the middle mile broadband elements into the emergency work being done to repair the highway washout. Further work orders are being initiated on other segments, such as 12 miles in Lassen and Shasta counties, 6 miles in Lake County, and more than 40 miles in Los Angeles and Ventura counties. Thank you for your time. This concludes the Caltrans update.

The Chair: Thank you, Ms. Benton. I'd like to open it up to the members to see if they have any questions and I see Secretary Tong.

Amy Tong: I'll wait to see if anybody else wanted chime in. No, you guys are all just giving me the eye that I should just go, alright. Thank you, Ms. Benton, for that presentation, and I think it's really good to see, and I know that was something that was discussed at the last MMAC meeting, last year to have Caltrans laid out by quarterly what at the total miles. So this is very, very helpful. I think the question I wanted to maybe clarify is the fact that while I'll just use the word nearly 4,000, that are going to be built by Caltrans and Caltrans are still very much involved in working with other miles that are predominantly, let's say, joint bills. Maybe not so much on the lease in the permitting side of it, in making sure that those permitting process are continuing as fast as it's possible, humanly possible. So those joint built opportunities are moving forward. Is that a correct understanding?

Janice Benton: Yes, absolutely. Secretary. So we're not only working with the joint builder or the third party builders that are coming in, and they'll be getting an encroachment permit from Caltrans. But we're also bringing in and leveraging all those other programmatic efforts so they can take advantage and leverage those streamlining and efficiencies to get their projects through. We've also put together some guidance to help them. So we put together guidance, not only for our Caltrans district folks, but also for all the third party builders, so they can know what's out there available for them to help streamline the process.

Amy Tong: That's great. And if I may suggest, maybe at some point, at one of these, you know, public meetings, I know at the beginning there was a lot of trackers about you know how the permitting work is progressing, and then this meeting is coming back to what is actual construction, you know, for those that are Caltrans buildings, for perhaps at one of the upcoming might be good to resurface. You know how those permits streamlining. It's taking place in Caltrans, because I've heard a lot of positive stories where the number of days or months that are needed to obtain those

permitting have really shorten due to the great work that Caltrans and CDT have been working on this programmatic approach that Ms. Benton you were talking about. So I just perhaps suggest The Chair and Mr. Keever here that that perhaps at one of the upcoming meetings can resurface that whole, permit streamlined effort. And then, just to conclude on this and again, I'm glad you pointed out, Ms. Benton, that on the map where the ones that Caltrans are construction focusing on are really, really those areas that do not have existing line or is a really hard to reach areas. And therefore, the work involved on those has much more complexity. And so I just want to applaud for Caltrans. But continue doing those, because those are the area that without the State putting, you know, our own priority and focus on, probably would never happen. So thank you for that.

The Chair: Thank you, Secretary. Any questions, comments from any members? Virtually, Alicia? I would like to also thank Caltrans for their partnership, because not only are we seeing significant progress in streamlining permitting where we're at the tip of the spear and really actually leading the nation on how you can streamline permitting. So my hats off to Caltrans, and everything that you've been doing in this realm, having that many miles ready for construction by the end of this year again hats off to you and your districts. But something that also not sure if the public is aware, but all the things that we're doing on making sure that based on the right of way, once it's in the ground, making sure we have that partnership on the ongoing because that is also very important over the next lifetime. To make sure that this relationship is that we talk about is a long-term marriage between Department of Technology and Caltrans. And so I just really want to commend you on everything that we've been doing to make this critical asset available to the California residents. So sometimes we always get thought thinking about project and the delivery. But it's also really the ongoing that that matters. So I wanted to thank you, your Director Tavares, and obviously you, Janice, for everything that you've been doing from a leadership perspective. Alright. I don't see any other questions or comments, so we now are shifting to the operating model, and as we invite our next round of speakers up here Joanne Hovis and Erik Hunsinger to the dais, I'd like to just highlight that this has been a topic that we've talked about. You know, short term decisions have long term impacts. And we are bringing in expert Joanne Hovis from CTC technology and energy that has been doing this, I think, is probably part of her DNA. When we think about broadband and addressing the digital divide, and really has an experience not only looking at it from a California lens, but what's really going on across the nation. And we wanted to bring that information back to the Council, so that we're talking about, yes, California, there really is no comparison to us. We usually lead the nation. But it's still important that we keep an eye on what's going on. There's different operating models out there that are being successful or having challenges. So we want to make sure that this committee has that insight and be able to ask an expert. We also have the partnership that we value from Golden State Net, and Erik Hunsinger, who has been really looking at what's necessary for California again, we're very complex. And so just wanted to make sure that we are talking about this both a national level and California level as we go into the next phase. So I just wanted to tee that up for everyone, and then I know at the end of your presentation Mark has a few comments. So the first step is Joanne Hovis again, thank you very much. I think you've been flying

internationally. And you're just back in the country. So we are lucky to have you. And you represent CTC. Technology and energy. So I'll turn it over to you.

Joanne Hovis: Thank you, director, thank you everyone. It's really a pleasure to be here with you. And I have the pleasure of giving you a kind of broad overview of some of the observations and lessons learned from the last couple of decades of public and nonprofit middle mile networks that have been deployed and operated in other States throughout the country. As the director just noted, California is obviously quite singular in everything, and MMBI is an order of magnitude larger than any other network of this sort which is appropriate given the size and scale of the State, and the need that is represented here for middle mile capabilities. But some of the observations and lessons learned over the past couple of decades well, I think, be instructive, as operations are considered in this next phase of planning is undertaken while construction is underway. Can I have the next slide, please. So what I will share is just a high level overview of some of what experience suggests with regard to what operations might look like, and particularly the likelihood of a self sustaining network, a network that pays for itself out of its own revenues while still meeting its public policy goals which are obviously the primary reason for the existence of a publicly owned middle mile network. And what we see in other States that may be analogous here, as this planning is undertaken for MMBI and the additional questions and analysis that can be undertaken in coming months. Can I have the next slide. Please. Generally. We'll share just a few high level overview, a few high level points in overview in that experience suggests that large publicly owned and nonprofit owned middle mile networks can sustain themselves. Generally, the great majority of them have done so, and where we have seen substantial challenges over time or networks that are considered to have failed. That has largely been because of some kind of an execution challenge. Sometimes on the public side, sometimes because of legal complications, sometimes because of a private partner that could not execute. But it's not the fundamental underlying economics of the network itself that has been the challenge. It's rather been on the execution side, and I think that's sometimes not understood with regard to the overall operating model of a larger middle network. Generally, though, these networks are not self-sustaining only from last mile ISP revenues, and I think that, you know, is really intuitive in some ways it goes without saying, because there would not be a need for a public middle mile network if there were a financially self-sustaining model or a financially profitable model that would support the network itself, because the private sector would then step in. So I'm not saying that they're not self-sustaining. Generally these networks are, but not solely from ISP revenues, rather, and if I can have the next slide, please. What we see is that the networks sustain themselves by serving those last mile ISPs that are at the heart of that public policy purpose of a middle mile network, but also serving a range of other customers in order to maximize the value of that public investment in order to make sure that this remarkable resource that fiber represents. And it really is this astonishingly capable, scalable asset that has been invested in by the public sector that it can be maximized to serve a wide range of different kinds of stakeholders. Including first and foremost Internet service providers, including wireless Internet service providers, mobile providers, fixed providers, the full range of last mile entities that serve residents, businesses, institutions, etc. But also other kinds of customers, including public users and other kinds of large users that are frequently considered middle mile users. And

generally our assessment would be that MMBI, like, you know, on a preliminary basis our analysis is that MMBI should fit into that same framework of self-sustaining based on that full range of different kinds of users. But our recommendation is certainly that a robust market sounding and market analysis be undertaken along those lines as part of the planning process. I will stop there. That is my high level overview.

The Chair: Thank you. Ms. Hovis. Any questions from committee members before we go to Erik Hunsinger? One of my questions is, can you give any examples? I know that you have worked with many states. Is there anyone that you know we should be reaching out to. Or again, you have a national lens so any thoughts from your perspective that the committee should be considering that there's a good use case out there. I know you do a lot of research.

Joanne Hovis: You know. There are a range of them, probably a couple dozen. I might highlight just a substantial handful with a caveat always that from a California vantage point these are always going to seem like they're pretty small, but just the nature of things being that. So like my home state is Maryland, and we're very proud of our publicly owned middle Mile network in Maryland. But we understand that we fit into just a few of your counties, maybe even just a couple of your counties. But the one Maryland broadband network is a now, I think, 14 year old, publicly owned statewide network. It reaches into every county, goes to every county seat. It provides capacity and services that then allow for provision of services to almost all of the schools in the State. It provides for lower cost, sharing of services for public entities, and then the Maryland Broadband cooperative, which is a non profit partner to the State, operates much of that fiber capacity on an open access basis for dozens of ISPs throughout the State. Those are the kinds of models that are out there that we think are important opportunities to learn from. There are many other networks that are similar throughout the State, Washington State has something called NoaNet. The Illinois century network in the State of Illinois operated on very similar model with the state itself, actually providing those services internally rather than using an operations partner, knowing that as a nonprofit by the way, they are higher education nonprofits throughout the country that do similar things. Michigan, for example, portions of Texas. I again, smaller in scale, but a range of different models, and then new emerging models in the current moment as well. Given the emphasis nationally, and the incredibly high priority placed by policymakers on broadband and on Middle Mile. We are seeing new emerging models in a handful of States for new kinds of collaboration among public owners of fiber assets or conduit assets and their private operations collaborators where many of those collaborators are taking on considerable amounts of the operating risks in collaboration with the public entity. And we're seeing models like that emerge currently in North Carolina, Pennsylvania, and other States.

The Chair: Thank you. Very informative. Any questions. Oh, I do I see Assembly Member Wood.

Assembly Member Wood: Yes, thank you. And it very interesting. I am curious, in other States in particular or your home state, how is maintenance? You have an accident or storm and who's paying for it? Who's actually doing the work to keep the middle mile up and running in Maryland.

Joanne Hovis: So in Maryland, that underlying asset which is owned by the State, is maintained by a contractor that is paid by the State, a competitively procured contractor that offers the best possible prices, and Maryland is considerably smaller than California. A single contractor, even in a small state like Maryland, is sometimes more challenging, but maintenance services in terms of the need to repair in the event of a storm or a cut or a, you know, car hits a pole, and the line goes down. Those are specialized and important services, but they're really in many ways commodity services, and they can be acquired in the competitive market at pretty competitive prices. In some places they are provided by public entities who have that expertise as well. But in most states our experience has been that private entities are contracted at competitive rates to offer maintenance services.

Assembly Member Wood: And finally, a rough idea of what the cost of that, and that's a really difficult question obviously, Maryland's a much smaller state. But you know, is that a significant cost? And then, is that revenue for that coming out of the department budget, or general fund, or where is it coming from?

Joanne Hovis: Generally, where these networks are self-sustaining, that self-sustaining model includes paying for maintenance, so that has been my experience that in most cases the network will out of revenues, and if it's purely a state network that might be an internal chargeback mechanism. But whatever the revenue source is that is sufficient to cover maintenance. And the cost of maintenance is going to vary dramatically depending on markets and topographic factors, and whether the infrastructure is aerial or underground. But one very high level benchmark just for conceptual planning purposes is to think of fiber and conduit maintenance as being about equivalent to 1% of capital costs for construction of the fiber. And that's with a very big caveat that it very much localized, but that's a nice planning benchmark.

Assembly Member Wood: Thank you. That's what I was looking for, much appreciated. Thank you so much.

The Chair: Thank you. Assembly member. Secretary Tong.

Amy Tong: Yes, just a quick follow up on that. This is very interesting information. Thank you for sharing that. And Chair, thank you for checking that up. I unfortunately going to have to leave early and Deputy Secretary Russell Edbarry is going to step in to cover the seat. So, Erik, sorry I'm going to have to miss your presentation, but I think this is a very timely conversation to have, knowing that you know some of these middle mile line is going to start being lifting up in 2025-26, and coupled with the last mile lines that's going to come up under the oversight of CPUC. So you know, these type of ongoing maintenance and costs and projection is going to be important, and the fact that you know the middle mile, mix of the middle mile, whether it's Caltrans construction or lease or joint bills, are continuing to evolve. So that's probably going to add a layer of complexity. It's not the right word but update needs to how these operating models should be evaluated. So I'm very interested to continue to have more dialogue on this, and love to have, you know, updates on nationally or internationally, how these are being handled. Thank you for the topic.

The Chair: Thank you, Secretary Tong, and that is a great point that she's pointing out is that the RFI2, we know there's interest, but the network is evolving, and as a network is evolving, we will have a better place as we get to April. What that potentially will look like. And we want to make sure that whatever model that we are selecting to be an maintenance and operation model is something that's going to work for California, and I think the partnership between both yourself and Golden State Net is helpful for this committee to get where we need to go and make sure that we're making the right decisions on behalf of the Californians that are looking at us to make this an affordable program for everyone. So thank you very much, Joanne. Is there any other questions before we shift over to Erik Hunsinger? I see none. So Mr. Erik Hunsinger, from Golden State Net.

Erik Hunsinger: Thank you. Director Bailey Crimmins. So you know, there's a couple of things that really distinguish what the State's doing. We've talked about the size and scale here, for the State of California. It's been almost a quarter century since any entity has built a 10,000 mile network. And the last one that was built was commercial in nature. So this opportunity that the CDT in the State of California has pursued is really nothing short of historic. Not only is it addressing at risk and need areas in rural areas where commercial networks have been unable to justify construction, but it's bridging markets that would never be solved unless this effort was undertaken. But there's some things that the State of California has put in place that really distinguish this network for over anything that's been built previously. And those things are actually may seem fairly minor, but they are going to represent significant cost reductions going forward as we build last mile infrastructure. The first thing is CDT has implemented the interconnection policy of flexible Streamline connections between brick-and-mortar locations. You don't have to go to a particular address. You don't have to design this according to buildings like traditional telecom networks, you can come right to the network and the state of California, CDT will introduce a connection point within the network to reduce construction costs on the last mile. So that means that within, can we go to the next slide, thank you. So that means within a 10,000 mile network, you have more than 20,000 access points, there will be 20,000 access points built prematurely into the network, but you can add additional ones. That means that last mile infrastructure can reduce all of their construction costs to get directly into the network that CDT has designed. In addition to that CDT is planning to light the infrastructure with cutting edge telecommunications equipment as noted earlier. They're going through the RFP process. I believe that's due out shortly. But it's estimated, there's going to be about 4,000 pieces of equipment in this to run this network. That means communities across California are going to get access to between 100, 800 gig circuits that they can utilize for their planning purposes to drive broadband in their communities. But in order to support that infrastructure, there's certain elements that have to be established operationally, and that, you know, a basic one is a 24/7 NOC requirement which can incorporate an element of customer care and support. But then, on top of that regular maintenance, maintenance needs to occur. As Ms. Hovis noted, it's typically 1% on networks, and that includes, you know, protecting those facilities, those huts that need to drive the network and make it work. But then the repair as Assembly Member Wood had noted, the repairs and maintenance on the work on the fiber network itself, when it gets cut, is an important

element and has to be managed aggressively. Typically, carriers will share that cost across dark fiber customers. So that's an element of the contract that gets written as part of the customer provider relationship. So those costs will be shared by users on the network. Only for those areas where the cut or maintenance needs to occur. Next slide, please. So this is just an overview of the probably a 10,000 foot view of the operational areas that are needed to support the network from the moment of engagement with the user of the network typically sales engagement. All the way through engineering and planning and maintenance, as well as invoicing for services on the network. So this is a general overview with some of the activities necessary to make the network sustainable and actually function like a true telecom network. And then, there's a variety of data flow here in the systems touching on the various elements of the network that are needed to be tracked like, where's the fiber? What sort of activities have been done on the fiber, where the interconnection points that are relevant. As things break down, you want to know those elements so that you can repair it appropriately. So there's continuity in the network. And you know usable by constituents of the network. So all of these elements in the systems are necessary in order to make it sustainable and function as an operating model, next slide, please. So we've done some preliminary work. But we're still in the early stages of understanding how to engage users on the network. It's not a simple matter of just connecting to them, right? We want to understand the cost structure. It's tough to know what that cost structure for making sustainability an element of the program without having it in the ground first, because we don't know those final costs. We've got most of those in place. We still need to turn up the layer 2 on the network with the equipment layer 2 and 3. This has never been done before. I mentioned that it's been 25 years since the 10,000 Mile network was done, but that was a commercial network geared towards prioritizing revenues right. You know, going to major cities, hitting places where they knew hyper scalers and commercial entities were interested in this was not geared around erasing the digital divide. So what state of California is doing is turning that model upside down and so in many ways the policies and programs that they're putting in place to erase the digital divide by allowing flexibility of interconnection is going to change the whole landscape of cost structure for communities around the State. So we know the size, we know the scale, but we need to understand better what's going to work for California, because it's a unique place. And so with CTC, CDT and Golden State Network committed to unwrapping the best practices and approaches to provide this network for the people of California. I also want to point out that you know, through the SB 156 pretty clear and open access network. All users are welcome. So it's an opportunity to really drive demand on this network. So the foresight in that bill really opens it up for the success of this network. So it's an important element to allow carriers, hyper scalers, ISPs, communities, anybody with a demand for the network, the capacity and the capabilities will be there with the infrastructure CDT is designed. I'll close out my comments. Thank you, Director Bailey Crimmins.

The Chair: Thank you, Erik. Excellent comments. I know that I wanted to go ahead and turn it over to Mark Monroe to close out the operation segment, and then we'll open it up for questions.

Mark Monroe: Alright. Thank you both for your insights. We really appreciate you both sharing your industry expertise with us. CDT will continue to work with its partners, and

considering how best to develop a sustainable approach for operation of the network. And in a way that really benefits all Californians, and that's you know, Mr. Hungsinger noted that the policy priorities of SB 156 and that's really key is that we're trying to reach the unserved throughout the state. And so want to develop a network that does that. Thank you.

The Chair: Thank you. So what I'm hearing is we are moving forward with a market sounding that will bring results back here potentially to this committee in April to be able to start making some good decisions on moving forward, we'll have the RFI2. I know Erik's new in his role, so I'll be looking at that and obviously working at the national level. Is that what we're making sure that folks are aware of?

Mark Monroe: Yes, that is correct. We'll be moving forward with that exactly.

The Chair: Alright, I am going to open it up to committee members to see if you had questions. President Reynolds?

President Reynolds: Thank you. Question on revenue models. So you said that revenues are difficult to estimate for a project of this size. But I was just wondering and maybe this is also a question for the previous panelists. What kind of models are you looking at? They would obviously be smaller scale, but for types of revenues and revenues that have been used for other systems to make them self-sustaining.

Erik Hungsinger: Well, I'm not sure that it's fair to compare other systems to the State of California, because California's infrastructure is so unique. But the elements of SB 156 allowing open access means that it, you know, carriers may be pursuing 10,000 miles of fiber for their own network. So that's one area where we would where the State of California would be entering into an IRU agreement for a sublessor for commercial purposes. I and I know for a fact that CDT is encouraged that in their conversations as they move forward with, for example, these joint build discussions they've also been engaged in, you know. Well, if you want infrastructure in any other part of the State, you know that's an opportunity to build on those relationships that are already established. So carriers are interested in always evolving their business model. There's going to be carriers that are interested in serving communities that need to get across the state and interconnect in telecommunications, centers that are housed within the State. But then there are entities that want to get across the State. So they come, maybe via a trans specific connection. And they want to pass through the state because that's their business model is bringing traffic across areas. So it's going to be a mix. There will be those carriers that are transiting in a middle mile fashion, so they'll leverage. And there's plenty of those who are always looking for alternative routes, diverse routes. And then there's going to be carriers that are serving communities. And so there's numerous ISPs wireless ISPs that are driven by community connectivity, and that's in their business model across the State. So this is geared exactly towards serving those last mile entities. And then, in addition to that, there's a community driven infrastructure. That can leverage the network and will be there to help them optimize their last mile interconnections so that they can better use it. So it's a real mix and a variety and I think that, as Ms. Hovis pointed out, it's necessary in order to create the state sustainability. Once you start closing off the network to any particular segment of

the community, whether commercial or community driven, then you weaken the opportunity for strengthening the sustainability models so hopefully that answers your questions. I know when we do the market sounding you'll probably get more details out of that.

President Reynolds: Great. Thank you.

The Chair: Thank you, President Reynolds. Any questions from any other panel members? Supervisor Alejo.

Supervisor Alejo: Just very intriguing presentation for us to learn from other states. One aspect that I would love to hear your thoughts on was just on the open access portion of the project in other States. Did we see increased competition from providers and more reasonable rates for consumers? I know that's a key aspect of why we're we wanted this to be open access. But any lessons learned there on how it's worked, and from in other states.

Erik Hungsinger: I'm sure Ms. Hovis would like some comments. But I will tell you I personally have seen that. Yes, in in recent areas I've seen carriers drop their rates as much as 30%, just because, public investment in infrastructure was made in certain markets. So I've seen that readily. But I'm sure Ms. Hovis has more specific examples. Thank you.

Joanne Hovis: I absolutely agree. I've seen exactly the same dynamic. And over a couple of decades where we have seen in remote markets, where a small provider might have been paying a massive amount for very, very modest amounts of bandwidth coming over an old copper line that was 50 or 60 years old. They would now be receiving competitively priced services over fiber and they could rededicate what they had been spending on middle mile capacity to investing in their network, providing better services to their customers, really building up their capabilities and their business. We've also seen that open access component catalyze the development of new public networks at the local level. Small hyper, local and publicly owned nonprofit owned networks because it creates opportunity where it might not exist otherwise, as Mr. Hungsinger pointed out, CDT's design will create interconnection opportunities in thousands of places where they currently simply do not exist. So what that means is that where there had previously been a substantial barrier to last mile deployment, even on a micro scale that barrier is now substantially lifted, and where we've seen that happen in other States, it's just opened the door to new kinds of deployments, including those that are just not commercial because they're public or non-profit.

Supervisor Alejo: Great. Thank you very much.

Erik Hungsinger: I apologize. But there's one other area, too. It not may not be overtly realized. But the network is going to strengthen some of those existing rural infrastructure that is so germane to rural local exchange carriers and really remote areas. So the point is that some of those existing networks are going to gain incremental access and that's going to create diversity and resiliency. But it's also

going to drive down their costs as well. So it's another area where reduction of backhaul to telecom centers is going to change the business models of some existing networks, and it'll be there to leverage for new networks as well. So it's not just spurring the creation of a new entity, necessarily, but it's also underwriting the business models of some existing infrastructure that exists today.

The Chair: Thank you. Very great conversation against the committee, and with experts at the dais any additional questions from members? Alright, I see none. So thank you both for your presentation today. I know we're doing this moving of the chair. So I want to invite Maria Ellis from CPUC up to the dais to give a presentation on all the great work that's happening at the last mile. Again, CPUC meet at least weekly we always say sometimes more, and so we just always appreciate hearing all the great work that they are doing at the local level. So, Maria.

Maria Ellis: Can you hear me now? Okay. Thank you so much for having us today to talk about some of our last mile work. I am going to dive right in if we can move on to the next slide. So this slide is probably very familiar. We try to highlight it very regularly, so that we could kind of showcase in a brief snapshot some of the aspects of the SB 156 last mile work that we have. I'm going to take a moment here to first start with technical assistance. Since I don't have another slide, separate slide for this. I want to take a moment to talk about this technical assistance work here. The local agency technical assistance which was funded as part of the Federal funding account under SB. 156 is meant to help local governments and tribes develop feasibility studies, plans. It's technical assistance. Everything that you would need to develop a last-mile program or a last mile service program. I wanted to give a quick update on what we've done in this last just recently to date. Out of this account that was 50 million dollars set aside, including a 5 million dollar set aside for tribes. We have awarded a 105 grant to local governments and tribes across the State to do this work. So of this, a 105 that includes 8 tribes and 97 local agencies. When I break that down just a little bit further, the 97 local agencies included 42 cities, 45 counties, 7 joint power authorities, one local Education agency, one municipal utility district and one public utility district. And so I wanted to share that to say that you know, this has been a really successful program. Clearly there is a lot of demand for it. We actually, next week the Commission will consider one resolution to approve the last bits of remaining funding that is available in this program. And so with that, if that is approved by the Commission, would exhaust all of the remaining funding for this program. And while they may not be more, a lot of funds available, there continues to be tribal technical assistance which I want to talk about here in a little bit. But that program continues to be available for California tribes for similar kind of work. Loan Loss Reserve program is a financing tool, it is a credit enhancement tool. And I'm going to talk about that a little bit further. But I do want to highlight. Just a note here that, given the budget situation, this program was originally mentioned under SB 156, for 750 million current total, and which is the current status. But it is proposed to be shifted to a 500 million dollars program in the proposed budget. Under the Federal funding account, I'm going to dive deeper into that one just in a moment. But just note that that is our last mile program for creating some of the complementary programs that our CDT partners are working on. And then, lastly, our CSF program and this is unique in that refresher that this is unique because it is a surcharged funded program. So it is an annual program

through 2032. And this fiscal year was budgeted 73 million for this fiscal year for investments. And I'm going to talk a little bit about what those investments have been so far, next slide. So the Federal funding accounts just as a refresher, this again, is meant to fund wireline investments, at last mile investments that result in end user service. We closed our application window on the 29th of September of 2023, and received 884 applications requesting over 4.6 billion dollars. Of these 484 applications, that was comprised of 63 distinct entities, applying with 484 applications. And so want to just quickly break that down as well. These applications of that 484, 397 were from ISPs or Internet Service Providers. 79 were from public utilities, non profits, cooperatives, joint powers authorities and 8 were from tribal nations. After we closed the application window, we moved on to the objection process which is required by Federal Law and the funding that we originally got for this program. And that process, the objection period was from October through December, and we closed it on December 18th. One note, as you might have seen some things in the budget about some shifts in the proposed budget, I want to note here that the total funding for the Federal funding account remains intact. That the total funding available for each county still remains along using the formula that the Commission adopted in Decision 220455. And so what that means is, each county starts with 5 million as a set aside, and then on top of that is allocated, based on their proportion of total unserved locations. So now that we are through with the objection process that Commission is now taking is able to continue their holistic review of these applications, and also considering those objections as the part of the process. One note is that we did receive a roughly almost 900 objections to different kinds of projects, but those are all part of the evaluation that CPUC does as we are considering how to move forward with applications, next slide. Thank you.

Loan loss reserve program. So the goal of this program is to support the financing for public entities, tribes and affiliated nonprofits. And so the point here is that this is more of a credit enhancement. And, unlike all of our other programs at CPUC, it is not a Grant program which is really unique, and also something that we've never done before. It's something quite different. And so we're really thrilled to have this tool in our toolkit, because we know that starting these kinds of networks is not cheap, and we want to be able to provide these kinds of partners the support that they need in that endeavor. We're pleased to say, and that in November the Commission adopted rules for this program. And so we plan you can find more information on our website since these slides are publicly available on these links will take you to places where you can find more information. But we're really excited to share that from between Q1 and Q3 of 2024, we will open our first funding window and make our first award, between Q1 and Q3. So we're thrilled about this program and look forward to seeing what kind of likely lots of demand, equally, as we have seen for all of our other programs. We will also be doing a series of engagement and education opportunities for entities that might be interested in applying for this program. So stay tuned as we will be making those public and making sure that folks know how to take advantage of this, next slide. California Advanced Services Fund, and as a reminder, we have 6 programs total under the umbrella of the California Advanced Services Fund. Right now, I'm going to talk about 4. I'm going to start by really sharing a little bit about what we've been up to, and the most recent accomplishments with this program. So under the adoption account, which is again more about digital literacy and helping folks understand how to gauge with this technology in a meaningful way, to do everything from telehealth to work, to school, and learning and also do it in a safe way. We

received 86 applications and have funded 84 of them. And we have funded 84 applications for just over 11 million dollars. And I think, you know, while those numbers are, you know, important, I think the main thing that really is important for me is that these grants have provided over 12 trainings to over 12,000 participants in terms of digital learning. It has provided broadband access for over 14,000 participants and also helped get Internet subscriptions for over 30,000 participants. The public housing account is an account, and the purpose of that account is to help provide an inline, wireline inside the building, usually access and free access as well to communities, low income community developments, including farm worker housing. You'll see here that we have 6 awards for just a little under 500 million, and that has helped support over 306 households living units and also provided free Internet for those households for the duration of the program which is statutorily 5 years. Infrastructure, grant account. So in June, first we received 73 applications, totaling 527 million dollars which is far above the total allocation for this entire suite of programs. We are making our way through those applications and are trying to really coordinate and understand how that plays into our FFA applications. We just did award one program already, one project already for just under \$700,000 to Anza. That's to provide 10 gigabit symmetrical speeds to rural communities in Riverside County Tribal technical assistance. As you see here, we've already awarded 5 projects for little over 700,000, and we continue to see great interest in this program, as tribes are, you know, seeking to develop their own networks and meet the unique needs of their communities, next slide. So on to the broadband equity access and deployment program known as BEAD. Actually, I'm going to move on to the next slide. I think this is a good little summary here. This is also a familiar slide that shows everything, not everything, but the high level summary we've been up to since 2023, and what's coming into 2025. In June we received word from NTIA that we would receive 1.86 billion and the State would receive 1.86 billion to deploy this program. And we're happy to say that on December 27th we submitted these States Initial Proposal, which is a requirement of the NTIA program that outlines both how we plan on doing the challenge process for this program and how we hope to do sub grantee selection. The initial proposal is split into 2 volumes, Volume 1 and Volume 2. And that is important, because that is how NTIA will plan on reviewing the proposals. The State has to receive approval from NTIA on both each volumes before it can fully implement the program. And again, it will be reviewed, and that approval will come sequentially. So, I'm mentioning that because the next big milestone is expected where, if we had to crush the ball we would guess sometime in February, maybe, for approval of Volume 1. And what that means is that we could, after the Commission takes action on that volume, we could start our challenge process. After approval of Volume 2, which again, it's crystal ball, we could think maybe May, that would start the clock for the 365 day period for which the State must conduct a full sub grantee selection process and develop the final proposal, which includes a list of all the proposed sub grantees. And that needs to be delivered to NTIA again, within 365 days of approval of Volume 2, which we anticipate will likely be again, we'll be submitting that in early 2025. That is really the bulk of the update. I'm happy to take any questions.

The Chair: Thank you. Thank you, Ms. Ellis. That's a wonderful update on everything that's going on in your Grant program, and I'd like to open it up to any of the members to make comments or ask questions. Oh, I see. Assembly Member Boerner.

Assembly Member Boerner: Hello. Sorry for jumping in. I will have to jump off, and at several events here in San Diego. Thank you so much for your presentation. I wanted to double check and see if you have the numbers of how many of the FFA applications have proposed to connect to the middle mile.

Maria Ellis: Thank you for that question Assembly Member Boerner. We are in that process of evaluating we do have some of that, what is publicly available online, and some applicants have already stated that in their public applications. But we are doing an assessment currently, in a deeper dive, more comprehensive dive, now that we have the objection information to work with applicants to understand their plans a little bit better. We know that the objection process, the objections could change some projects, and how they plan on connecting it could change the feasibility, or not feasibility, but it could just change their engineering as well. So I think we'll have to get through that process of full evaluation and working with the applicants to have a better, more hard number for how many of those will connect.

Assembly Member Boerner: Do you have a rough number? I mean, you've reviewed their application, so you know, if they're saying they're connecting the middle mile or not, that's probably something quite clear. So do you have a rough number even before that review period.

Maria Ellis: Looking at what is publicly available right now, we do see that there are several applications that are planning to connect to the middle mile specifically with those using joint powers authorities, public entities, and a lot of tribes are very reliant on the middle mile that is being proposed.

Assembly Member Boerner: So roughly how many applicants do you have? And when you say several, do you mean less than 10?

Maria Ellis: No, no, it would be more but I don't have that exact number in front of me. But it also one thing we are working through is that again, the objection process may change people's plans and their engineering. And so we know that those are currently big users and proposed users of the MMBI, but we don't have a definitive number until we can really work with those applicants to finalize their review of their application.

Assembly Member Boerner: So what is the approximate timeline by which we can probably know when we would see that data.

Maria Ellis: We hope to be able to provide an update by the next MMAC meeting.

Assembly Member Boerner: Okay, thank you. I think you know, when we're going through, and we're looking about our investments in the middle mile, we have to make sure that the return on investment that we're making on the backbone infrastructure is going to really pay off through FFA and BEAD and all the last mile funding. So I think that's a really critical thing for us to consider when we're thinking about the middle mile. Thank you.

The Chair: Thank you, Assembly Member Boerner. Excellent point. And we will keep everyone apprised as CPUC starts to get through the challenge process. And I know there's many vendors that their applications are based on those ISPs that may or may not connect to our network. And then the same thing with last mile applicants on FFA. So we'll keep everyone apprised. Thank you, Ms. Ellis. Any other questions or comments from anyone? All right, I don't see any. So we are moving on to public comment. And Ms. Alvarado, if you please, provide public comment guidelines, so that we can make sure that everyone has an opportunity to share their thoughts with us.

Alicia Alvarado: Thank you to ensure everyone who wishes to make public comment has the opportunity to do so we respectfully request one person per entity and 2 minutes per person. The order of public comment will be in-person comments, Zoom and phone comments and emailed comments submitted prior to the meeting. For in person comments, please form a line at the podium. For Zoom, please use the raise hand feature in the lower toolbar. For phone, please press Star 9 to raise your hand. Emailed comments received prior to the meeting will be read at the end. We'll start with the first person at the podium.

Patrick Messac: Do I need to do anything? Okay. Good morning, committee members and state partners. My name is Patrick Messac, and I'm here to support digital equity efforts in the City of Oakland. Thank you for the opportunity to provide public comment. Alongside digital equity advocates and marginalized communities across the State, Oakland extends our deepest gratitude to Assembly Member Banta, and the legislative black caucus for their leadership to ensure this generational infrastructure investment doesn't yet again bypass historically redlined black and brown communities across the State. We'd also like to thank Governor Newsom for taking this critical step to include funding in this year's budget, to actualize the promises made to communities that have been left behind by public and private investment for decades. The success of this transformational investment in bridging the digital divide hinges on the most important decision the State has yet to make, how to price the middle mile network in low revenue density communities. Building a network is great, but it will certainly be underutilized in the highest poverty, least connected communities if the pricing structure doesn't incentivize municipalities and innovative community-based providers to build out a neighborhoods where the margins are thin and return on investment requires patience beyond the next quarterly shareholder meeting. The most effective mechanism to expand access in these communities is CDT's unilateral authority to establish a differential pricing structure. In consultation with network experts and legal counsel, we propose that CDT offer reduced rates based on the type of client and the location of the access point. First location, we recommend differential pricing apply to communities that are either one, Cal EPA designated disadvantaged communities or two, in the top 2 quartiles of the Socioeconomic Vulnerability Index or SEVI, 50 to 100%. Next type of client, recognizing that municipalities and nonprofits prioritize people not profit. Both of these entities should have free access to the network within priority communities with applicable strand caps. Additionally, community based residential ISPs that offer a low cost plan should be charged reduced rates or zeroed out license fees for at least 5 years. In short, the price paid by multi-billion dollar corporations to access the network in Beverly Hills or Pleasanton cannot be the same as a nonprofit or municipality

connecting public housing in East Oakland, rural Fresno, or tribal lands. The revenue generated from the network in California's wealthiest communities should be used to subsidize communities this network is intended to serve. The IRU on Oakland segment starts in fewer than 6 months, so we look forward to your ongoing partnership. Thank you.

Alicia Alvarado: Thank you. Next public speaker, please.

Georgia Savage: Great. Hi, everyone. Good morning. My name is Georgia Savage, and I'm the deputy director of Oakland Undivided. Thank you for being here today. I want to echo Patrick's sentiments that we're incredibly excited. The Governor's proposal, a proposed budget, and that it includes an additional 1.5 billion dollars for CDT to complete the development of the statewide middle network. While the digital equity plan urges expediting the construction and development of the MMBI, given this new development, we strongly urge the State to utilize the remaining secured funding to instead prioritize connecting the lowest income, least connected communities that cannot afford to wait. We also want to thank you for sharing the signed Middle mile contracts with OU and other advocacy groups. This effort to increase transparency does not go unnoticed and is appreciated. For several years innovative providers have come to us with the goal of expanding access in Oakland's lowest income least connected communities. However, they all share that this was determined unfeasible from a budget perspective, as back hall in Oakland, is shockingly 5 to 10 times as expensive as more competitive markets. These concerns were validated when we reviewed the contract that CDT signed with Boldyn for Oakland's middle mile segments. Our segments are by far the most expensive per mile in the State, even twice as expensive as bills in comparable urban areas. This is especially concerning when factoring in duration of Oakland's lease, which could be as short as 15 years. So, in the spirit of transparency, we look forward to continuing conversations about signed contracts, and looking ahead, we encourage CDT to make the RFI2 proposals publicly available. So we can help identify additional partners in our community, ensuring the best price possible and potentially use the proposals for future projects and collaborations. Thank you.

Alicia Alvarado: Thank you. Now, moving to any other comments in the room? Not seeing any. We will go to the Zoom.

Gayle Miller: Madam Chair.

The Chair: Yes.

Gayle Miller: Hi, so sorry. I'm still having bandwidth issues. I actually have to sign off. But I wanted to make sure that you and your team know that the amount of work that has been done in the last few months is truly extraordinary, and the commitment to communities is remarkable. And I just could not be prouder of the State, for all of the ways that not only the work we're doing and really arriving at this phase, but just the humility and professionalism and with which you and your teams are approaching it. It's just such a incredible accomplishment to behold. So just wanted to express my gratitude for you and the entire team.

The Chair: Thank you, Gayle.

Alicia Alvarado: Thank you. Moving to public comment. We have Maddie Ribble.

Maddie Ribble: Great, good afternoon. Can you hear me?

Alicia Alvarado: Yes.

Maddie Ribble: Great, alright. Good afternoon, as the case may be. Thanks for the opportunity to join you virtually today. My name is Maddie Ribble, I'm with the children's partnership. We are a statewide policy organization working to advance health equity and racial justice for California's kids. Today, I'm also representing the California lines for digital equity or CADE, which is a statewide coalition of community advocacy organizations united in our conviction that digital equity must be considered a 21st century civil right. And I'll offer my support to Patrick's comments earlier, who is a core partner of our CADE coalition. Today I wanted to make 3 quick points. First from TCP and together with all of our CADE partners, we're extremely grateful to the Governor for making good on his commitment to propose full funding for the MMBI in his January budget proposal. The inclusion of that 1.5 billion in proposed funding is a critical step toward reaching our collective goal broadband for all. However, as we all know, this is going to be a very challenging budget year, and not every worthy investment will be possible. The Children's Partnership: Inclusion of these funds in the final budget agreement is not at all a foregone conclusion. As the difficult deliberations on the budget begin, we want to urge each you as middle mile advisory committee members to join us, using your voice to urge the legislature loudly to make this investment a top priority this year. And I want to say, thank you in advance to all of the legislative partners who are part of the committee and on the call today. And thank you in advance for your continued leadership and support in this regard. Secondly, we wanted to state that equally important to the funding itself is prioritizing the spending of these funds, first, where they are needed most, and to do that we must be clear about the details of the digital divide. There is abundant research that documents that it is income and race that are the best predictors of broadband access far and above any rural versus urban split. According to the most recent USC and CDT app survey in cities and rural communities alike, Latinx residents lag behind white residents and connectivity by 10%. Black residents lag behind white residents by 7%. And there's a 25% gap between native American residents and white residents. Low income residents, they're 19% of low income folks in California are unconnected compared to only 4% of residents who are not low income. It's crucial that we use these facts of the racial and income inequities to drive MMBI funds to the least connected communities in urban communities, rural communities and everything in between. Third, and lastly, we want to continue to urge increased accountability and transparency in the MMBI. I wanna say thank you to Mr. Monroe, Ms. Hernandez and Ms. Liang for the update you shared today about efforts to improve stakeholder engagement and the new MMBI map log. It wasn't clear to me from today's presentation, but we want to urge you to include not only a log of future changes to the map, but also all previous versions of the map, so that they are fully available to the public. We're hopeful that with the changes announced today, it will lead to

lasting improvements in community access and partnership, and, as always, all of us at the California Alliance for Digital Equity stand ready to work with you to ensure that every California resident has high quality affordable broadband that they deserve. Thank you very much for your time.

Alicia Alvarado: Thank you. Going to Assembly Member Wood.

Assembly Member Wood: Yes, yes, thank you. And I know this is the public comment time, so I won't take up a lot here. But I just want to say, as a member of the Legislature, I want to thank the Governor for continuing the support of Broadband. I think it's critically important for California. And it is one of the things that I plan to fight for as a legislator to make sure that that funding remains in the budget. And also I know I ask difficult questions, but I do that in the spirit of trying to get the very best possible outcome for my constituents and others in the State who have not historically had access to Broadband. And I, too, want to say that I am impressed with progress, I really am, and encourage to see construction underway. This feels like a snowball rolling down a hill and it's encouraging to see the increase activity, with the way things are moving forward. So thank you. I'm in my last year in the legislature. I'm gonna fight until the bitter end to make sure that we get the funding to move forward in these projects built. So thank you very much.

Alicia Alvarado: Thank you. Assembly Member Wood, moving to Larry Yee. We'll come back to Larry Yee. Moving to Linnea Jackson.

Linnea Jackson: Good afternoon. My name is Linnea Jackson, the general manager with the Hoopa Valley tribes public utilities. We are the point build partner with the State, and we are proud to be partnered with GSN, CDT, and our state partners and Caltrans. I wanted to make a comment because so many of the things that were talked about today have impacted tribal nations. So we received technical assistance. We have funding under technical assistance grant. Those have been integral to tribal business. And I am supportive of those functions. So when we talk about economic models, we need to make sure that we're carving out functions for tribal governments. We're not set up like your normal ISPs are or public and privately owned businesses. We have a sovereign government, and those considerations need to be made when thinking about sustainability and business functions that are eligible for tribal nations. We continue to be strong partners for the State of California and Tribal Nations as well. We do appreciate the ongoing partnership, and we're integral to the success of the investment that's been made. And we look forward to continuing that partnership. So I just wanted to say, thank you for the opportunities that are set aside for Tribes. I urge there to be continuing funding for such opportunities so we can strengthen business development to bridge the digital divide in our tribal nations and in our region. So thank you very much for your time. I appreciate it.

Alicia Alvarado: Thank you. Ms. Jackson. Moving to Larry Yee.

Larry Yee: Hey, thank you very much. Thank you for coming back to me. First time on here. I'm from San Francisco, Chinatown community and throughout the years we've been having, I guess, dilapidated infrastructure in San Francisco Chinatown which

impacts the low income community and let alone not the business. You know, coming out of the pandemic, we very much noticed that access to the digital divide is very costly to our community. We hope that the ISP reach out to us, the Chinese community, in Chinatown throughout the whole state we're in these small regions of small business, and then the mission, we're very much underserved. So I hope there's additional funding out there for us. And please it's not just tribal, it's not just rural, it's also the inner city small community that are surely totally impacted by this digital divide. What can we say? What can we do? And what can you do for us? We are asking for help and thank you very much.

Alicia Alvarado: Thank you. There were no emails submitted prior to the start of MMAC at 10 AM today. Checking for any additional public comments. Seeing none. Back to you, Director Bailey Crimmins.

The Chair: Thank you. I'd like to open it up to any committee members before we adjourn. Are there any last minute comments, a lot was covered today. Alright.

Supervisor Alejo: Just take a moment to acknowledge what was already said that the Governor fulfilled his commitment. We didn't have the numbers yet when he released his proposal. And I know the 1.5 billion is spread out over the next 2 fiscal years. But nonetheless the commitment is there, and I think I just wanted to commend that effort to make sure that we build out the full 10,000 miles, as was promised to the people of California, and that will allow us to do it. But it's easier said than done. You know the LAO had a deficit projected greater than what was in the Governor's proposal. So there has to be effort to make sure that that money is in the budget when it's voted upon in June. So I look forward to also being a champion and making sure that that money remains there. And has the legislative support for it. Thank you.

The Chair: Thank you, supervisor. Any other comments?

Alicia Alvarado: Director. We have a comment from SGV Progressives.

SGV Progressives: Good morning. Thank you for taking my call after the session was already complete. Can you hear me okay?

Alicia Alvarado: Yes.

SGV Progressives: My question had to do with, you know, if there is a problem with once the whole project is completed and we all have access, if there's a problem with the service, who would be responsible to address those concerns and questions.

Alicia Alvarado: I believe the question was, if there is a problem with the service, the Internet service once in place who would be responsible for addressing that.

The Chair: So we don't during public comment on respond to questions. But we will take that and be able to respond later. That operating model, what we were talking about earlier is what we will be coming back with in April.

Alicia Alvarado: Thank you, Director. That concludes our public comment session.

The Chair: Thank you. Alright. Well, thank you to the committee members, the presenters, the attendees. We had quite a few individuals online today and it takes a village. It takes all of us locking arm to arm to address this at the committee level, at the at the ground level at the grant and last mile level. So again, thank you, everyone. And our next meeting is Friday, April 19th, 2024, between 10 and 1130. You will also, if you are interested in participating in stakeholder engagement, as we were talking about earlier, between now and then there will be outreach and available opportunities that's going to be posted on our website. So with that, I'd like to adjourn today's January 2024 meeting is complete. Thank you.