# Middle-Mile Advisory Committee Meeting Minutes

**Date:** 04/19/2024

The Middle-Mile Advisory Committee met on Friday, April 19, 2024 at 10:00 AM PST via virtual conference and in-person.

**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.

| Department | 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 Perrault | | 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 | |

**Item 2 – Executive Report Out**

Mark Monroe provided the executive report out, focusing on spending and cross departmental coordination. The current funding level is at $3.87 billion which spans across the MMBI

components for RFI2 miles (lease & joint build), Caltrans constructed miles, and materials, administrations and contingencies. CDT's MMBI project is continuing to coordinate across departments

Caltrans, CPUC and local tribes and municipalities. More specifically, MMBI has been working closely with the CPUC with the FFA grants to ensure optimization of the State's investment for broadband (over 90 FFA grant applications received). Mark closed the executive report out with a quick update on the RFI2 (round 2); targeting between April.

**Item 3 – Project Updates**

- Mark Monroe provided the California Department of Technology's (CDT's) update on installations.
  - Arcadian – estimated 1,006 miles completed by Q4 2026
  - Zayo – estimated 193 miles completed by Q4 2024
  - Siskiyou Tel – estimated 165 miles completed by Q4 2024
  - Vero – estimated 24 miles completed by Q3 2025
  - Hoopa Valley – estimated 23 miles completed by Q2 2025
  - TPN-299 – estimated 172 miles completed by Q4 2024
  - Boldyn – estimated 81 miles completed by Q1 2025
  - CVIN – estimated 2,522 miles completed by Q4 2026
  - Lumen – estimated 1,896 miles completed by Q1 2024
  - Digital 395 – estimated 435 miles completed by Q3 2024
- Mark Monroe provided an update on the Government-to-Government engagements:
  - In Design & Engineering Stage:
    - Hoopa Valley
    - Ventura County
    - YTel
    - City of Los Angeles Bureau of Street Lighting
    - City of Fort Bragg
    - Coyote Valley Band of Pomo Indians
  - In Negotiations:
    - City of Vacaville
    - Karuk Tribe
    - Pinoleville Pomo Nation
- Hang Liang gave a Network Map update. The network version data page is now interactive and easier to use. Design history will now be made available as of January 20024 and be downloadable. A Project Status Map page will be added at the end of April 2024 and will provide coverage of the MMBI project.
  - Statewide Middle-Mile Network Map
- Mark Monroe noted that there were over 120 stakeholder engagements and outreach since January 2024.
- Monica Hernandez gave an update on Stakeholder Communications. The first stakeholder engagement workshop was held on March 14, 2024 with a total of 44 attendees. The objective was to increase transparency and improve communication. Agenda items discussed were:
  - MMBI Development Summary
  - Joint builds, Lease & PurchaseCaltrans PreconstructionMMBI Interactive Map

- o RFI2 Status
- o Market Sounding
- o Digital Equity Plan

A survey was conducted and showed that 53% of attendees felt they had an opportunity to share any interests or concerns and 40% felt they had a better understanding of the status of MMBI after attending the meeting (results did not include neutral responses).

- Jeff Wiley gave an update on Preconstruction & Project Momentum, including preconstruction delivery plan. Environmental, permitting and design process is at 51% completion as of April 2024 (compared to 40% completion as of January 2024). A chart was shared to specify the completion of preconstruction by each district. 175 miles of preconstruction have been completed as of March 2024. A total of 4,000 miles of preconstruction will be completed by end of 2024.

- Erik Hunsinger gave an update on Huts & Electronics Procurement. There are 162 hut locations of which 13 sit on the core backbone. All huts support internet, optical and colocation services. 29 those huts are "transit" nodes that are essential to the functionality of the backbone and connectivity. The MMBN will have capabilities to included 10G, 100G, and 400Gbs waves on 40 channels. This will provide customers with access to carrier-class products and services.

- Ben Polsky gave an update on the Market Sounding Recommendation. The purpose of the market sounding was to learn about other networks on a nationwide scale. Items discussed were network performance, financial sustainability and governance & public policy protections. As a result, MMBI will be initiating a two-part procurement to obtain a partner for Operations & Maintenance:
  - o RFP for Qualifications
  - o RFP for Proposals

  MMBI will also be launching a Customer Sounding program to identify potentials users of MMBN (including public sectors and last-mile ISPs).

- Maria Ellis gave an update on the Last Mile Programs. A chart was shared on the investment status for BEAD, CASF, LLR and FFA. An update was shared on FFA grants; there are about $2 billion in funding for Last Mile Infrastructure for unserved communities. There are 107 proposed applicants. The LLR program received applications up until April 9th. The next window will open in July 2024 and targeted award dates are 2Q – 3Q 2024. The deadline for CASF applications are July 1, 2024 (Adoption, Public Housing, Infrastructure, and Tribal TA). BEAD received initial approval for proposal on April 4th (CPUC drafted a decision to adopt the approved initial proposal and outreach will begin on April 24th).

**Item 4 – Public Comment**

- Public comments were made by
- Patrick Messac, Oakland Undivided
- Carolina Mendez, Oakland Undivided
- Lindsey Skolnik; CA Alliance for Digital Equity

**Members Final Comments**

No comments.

**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 July 19, 2024.

The meeting adjourned at 11:55 AM PST.

# Middle-Mile Advisory Committee Meeting Transcript

**Original Format**: YouTube
**Created by:** Middle-Mile Advisory Committee
**Date:** 04/19/2024
**Runtime:** 1 hour, 55 Minutes, 17 seconds

**Slide 1**

(The Chair)
Yeah, thank you and welcome. So, we'll go ahead and call the April 19th, 2024, middle mile advisory committee to order, and the first order of business is roll call Miss Alvarado.

**Slide 2**

(Alicia Alvarado)
Thank you. 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 Sam to advance your slides. Committee members, please raise your hands to speak, and ex officio please use the raise your hand feature on zoom to cue Director Bailey Crimmins to call you on to speak. Now, the committee member roll call, State CIO and Director Bailey Crimmins.

(The Chair)
Here

(Alicia Alvarado)
President Reynolds.

(The Chair)
I believe she's online.

(Alicia Alvarado)
I'll Come back. Chief Deputy Director Perrault.

(Director Perrault)
Here.

(Alicia Alvarado)
Director Tavares.

(Michael Keever)
Mike Keever Caltrans for Director Tavares.

(Alicia Alvarado)
Secretary Tong.

(Secretary Tong)
Here

(Alicia Alvarado)
Senator Gonzalez.

(Alicia Alvarado)
Senator McGuire.

(Alicia Alvarado)
Assembly member Boerner.

(Tasha Boerner)
Here.

(Alicia Alvarado)
Assembly member Wood.

(Jim Wood)
Here.

(Alicia Alvarado)
Supervisor Alejo. Supervisor Starkey.

(Valerie Starkey)
Here.

(Alicia Alvarado)
Director Bailey Crimmins, we have a quorum.

(The Chair)
Thank you, Miss Alvarado. Alright today we're going to hear from the California Department of Technology, Caltrans, Golden State Net and CPUC on our progress towards the Governors and the Administration's Broadband for All and Middle Mile Broadband Initiative commitment towards improved communication and addressing the digital divide. Are there any committee members that have comments before we get started? All right, I see none. The first agenda item is the executive report out from Mr. Mark Monroe.

**Slide 3**

(Mark Monroe)
All right. Good morning, Chair and members. Mark Monroe, Deputy Director for the Middle Mile Broadband Initiative here at CDT, we're pleased to provide another update on our progress and on this important component of the broadband connectivity in California. As noted by The Chair, CDT, Caltrans, GSN and the Public Utilities Commission I will be providing updates on a range of components of the project today, including Caltrans, and our RFI Squared partner construction. The status of Hudson Electronics CDT's market sounding and next steps towards moving towards operation as well as the last mile programs that will be so important in getting the connect Internet service to actual households. First off, as funding continues to be discussed I wanted to start by reviewing how the current funding is being used. CDT currently has a total of 3.87 billion dollars appropriated to it. We can move to the next slide.

**Slide 4**

(Mark Monroe)
I think we've got a table. This is comprised of approximately 2.4 billion dollars in Federal funds and Federal ARPA funds, 1.4 billion in General Fund, and 73 million dollars in Federal grant funding that we received or were rewarded last year from the National Telecommunications and Information Administration. Here we see a layout of how CDT is using the current funding, how you can see that more than 6,500 miles in RFI Squared costs are on an average of $280,000 per mile due largely to shared construction costs. So I'm very excited about those opportunities and we can also see that Caltrans estimates that the segments it is constructing are expected to

cost on average $641,000 as a statewide average getting us to more than 1,800 miles. But I think this also underscores the value of the RFI Squared solicitations, including the one that is currently being reviewed.

**Slide 6**

(Mark Monroe)
In terms of the next slide we also wanted to highlight some of the partnerships that continue to be important to the success of this project. The PUC was central in helping CDT identify the potential highway corridors. We move to the next slide. There we go. Okay. Along which, unserved and underserved communities are located. Caltrans's integral for the construction of about 4,000 miles currently expected as well as helping with permitting and right of way access for components of the network being built by our RFI Squared partners. Caltrans also has a regular engagement with tribes, with local governments and other utilities. They intersect both with Caltrans right of way, and with the MMBI network to ensure permitting and other needs are addressed on time. And CPUC also works with local governments and stakeholders through its CASF local technical assistance grants and the FFA Grant program. So, all of these efforts are central for the success of the MMBI and the State's Broadband for All efforts.

**Slide 7**

We can go one more slide there. I just want to particularly highlight the important partnership CDT has with the Public Utilities commission. We meet to coordinate at least once per week, and CPUC includes CDT's MMBI map on its FFA Grant website. It was really an important component as those applications were being put together and submitted and evaluated. And if we can go to the next slide.

**Slide 8**

(Mark Monroe)
You can see as PUC provides or moves forward with approving FFA grant application, CDT will be reflecting these on its MMBI website. So again, this partnership is vital to the success of the respective programs. And that ends my executive report out.

(The Chair)
Thank you, Mr. Monroe. Do any committee members have questions or comments for Mr. Monroe regarding the executive report out before we go to project updates? Oh, we have one. Oh, Assembly Member Boerner!

(Assembly Member Tasha Boerner)
Yes, thank you. Thank you for that quick and brief and very well-designed presentation. I love the seeing Venn diagrams. Could you go back to the last map that you had up and saying where the 90 FFA applications were? At least from my screen, it wasn't very clear where they were located. And can you talk about where those 90 applications are? And these are applications that have just been made? These are not applications that have been approved, correct?

(Mark Monroe)
Yes, that is correct. I know the Public Utilities Commission will be speaking more about the FFA grant application process, but they received close to 500 applications. Of those they've had gone through and looked through and identified at least 93 applicants have indicated the plan to use the States MMBI network. And so that's what we've been really trying to focus on. But yes, what I'll say is I apologize that it's hard to see here, they are in blue and once we're done, I

think today we normally post these slides on our website, and you can see them better there. There's kind of a light blue color. But yes, I'm noticing as you're noting it doesn't really show up here. They are kind of around the State and largely located along the State's Middle Mile Network.

(Assembly Member Tasha Boerner)
Okay. So what would be helpful I think when we look at this, is one of the things that I think I've brought up several times since being on this body, is how important is that we're leveraging the Middle Mile and when I hear 90 of over 500, that's not a lot and doesn't give any of us an idea of how many are going to be better served because they're connecting to the Middle Mile. So, there's 90 applicants, but one of those applicants could be for 200 people. We don't have an idea of scale. So you know, at least in the next meeting, or maybe the CPUC can speak to this later today, really coming back to us with some thoughtful things of like there's 90 applications, you know a lot of it looked very rural, which is also good. Some of it looked urban, those were harder areas. Those are always harder areas to identify. But you know, do you have any idea of those 90 applications? What is the scope of potential Californians we're talking about ending the digital divide for?

(Mark Monroe)
Yeah. When we come to the details of those, I probably will defer to the CPUC for more of that. A couple of things I'll note though are that that's at least 93 of, and I think we think it's probably going to be more, those are 93 that certainly plan to do this, or plan to connect. But some of the other benefits are that we have more funding coming through BEAD. There's the annual CASF, right? So one of the most striking values of the MMBI network is the idea that for those last mile projects in the past there was no middle mile for them to connect to. And so I think one of the core values of the network is to be able to put that there so whether the projects are funded privately. And you know, certainly that happens. There are places where companies can come in and provide if they have affordable access to middle mile, they can build out last mile. But then, certainly any of the FFA Grant funded programs, any of the CASF

funded projects, and then the BEAD funding which will be coming.

(Assembly Member Tasha Boerner)
Yes, fully aware. I think we have no idea since BEAD money has not yet arrived. We have no idea where that is, and at what point we're going to ensure that at the end of the day, when all this money goes out, that we're serving the most number of Californians, right? And I think that's something, because Middle Mile Network is on track and the CPUC is well, at least with the FFA is very, very far behind. That's why we're seeing that you built out a network and at the end of the day, we're running a risk because you guys are on time and on track, that there might be overbuilt and not right sized with the dollars that we have. So that's just one of the all things I was thinking but thank you for your answer.

(The Chair)
Thank you. Assembly Member Boerner. Also, Assembly Member Wood.

(Assembly Member Jim Wood)
Yes, thank you. I'll say one area that won't be overbuilt is the North Coast just from perspective. So just a question Director, you had an early slide that talked about the number of miles that were joint build and then lease and then the cost per mile versus what the cost per mile for Caltrans. So you've lumped the lease and the joint bill together, in a future presentation can

you break those two apart so we can see what comprises those? I'm curious, because the cost for Caltrans to build is twice the cost of the others. So I'd be curious how much of that is lease and how much of that is joint build, and where the savings are.

(The Chair)
Yes, go ahead Mr. Monroe, I do not want to answer your question for you.

(Mark Monroe)
Yes, we can. We can look into providing more detail. I will say that, largely speaking, between our joint builds and the leases the cost were kind of in the same. They're pretty close to each other relatively speaking. And another thing I'll note is that when you look at that number that includes the purchase of 435 miles from the California Broadband Collective for Digital 395 which was similar to our network, we didn't have to pay back, it was funded with NTIA funding, so we didn't have to pay that back. So we got a very good price on that. That helps kind of be, when averaged together, to also push that down. But you're correct in observing that it's about half the price, and I think our general understanding of that has been that because we're sharing those construction costs because we have other people that are in the ground, you know, one way or the other, we're sharing construction costs. So it kind of makes sense that the price would be roughly half.

(Assembly Member Jim Wood)
Okay, yeah, I'm a data person. And I would just like to see more numbers. So you don't have to if nobody else wants them, that's fine, but you know I might so thank you, appreciate it.

(The Chair)
Thank you. Assembly member Wood. Are there any other questions from any members? All right, I see none. So we're going to go ahead and go to the project updates. The second agenda item is Mr. Mark Monroe for the Department of Technology.

**Slide 9**

(Mark Monroe)
Alright, thank you. As noted at the January MMAC given the success of the first RFI Squared partnership solicitation, CDT went out with another solicitation last October, and received more than 50 proposals for similar type partnerships. And so CDT is currently reviewing these and is working through negotiations with potential partners to identify the extent to which these alternatives to standalone Caltrans construction can help the State complete the MMBI network as quickly and efficiently as possible.

We hope to be able to finalize all contracts by July of this year, several months faster than we were able to last year when we did this. Next, we're going to provide a little more detail on the individual RFI Squared partnerships that CDT signed last year. We've got 10 different slides here with some maps and some components for each of our partners. But if we can go to the next slide.

**Slide 10**

(Mark Monroe)
First up is Arcadian, Arcadian is building approximately a thousand miles of new construction stretched across 5 spans along the North Coast, Southern California, and in the Bay area running through the valley, and you can see up towards Tahoe. For the Southern California construction started in December of last year. We noted that at the January MMAC with a

groundbreaking in East Los Angeles that will go out towards Barstow and Needles. Preconstruction, engineering, and permitting work continues on the remaining spans and is estimated to be completed by the fourth quarter of this year with construction to commence the first quarter of next year.

**Slide 11**

(Mark Monroe)
And go to the next slide, which is Zayo for the Zayo partnership. Zayo's project traverses 3 counties in I think it Modoc, Lassen, and Sierra along 395. Zayo started construction in February, and conduits are currently being put in the ground, and Zayo plans to complete its conduit construction by the end of this calendar year.

And we're particularly excited this includes 6.5 miles that's being constructed on Pit River Tribal land to eventually serve residents of that area.

**Slide 12**

(Mark Monroe)
We can go to the next one. Siskiyou Tel has partnered with the State to do a joint build approximately 165 miles of the network in Northern California, in Siskiyou County. Engineering designs and planning are scheduled to be completed by June of this year and construction to install the new vaults and fiber will kick off by the fourth quarter of this year.

**Slide 13**

(Mark Monroe)
And then we have the Vero project. Vero is partnering and building 24 miles of new infrastructure in Humboldt County, along California's northern coast. Vero has completed a hundred percent of its engineering designs for the 14.5-mile Trinidad spur and is awaiting execution of encroachment permits there. Construction on the Northern Trinidad is expected to start this quarter.

**Slide 14**

(Mark Monroe)
And the next one, we talked last year about the partnership with the Hoopa Valley Public Utilities District. Hoopa Valley is one of our tribal partners. They'll be building 23 miles of new construction on State Route 96 in Humboldt County. Our partners plan to start construction by the second quarter of next year. And the southern portion of the project is connected to the next project I'll be talking about which is TPN to our own State route 299, a lease project that is moving ahead of schedule.

**Slide 15**

(Mark Monroe)
The next one in terms of the Trans Pacific Network is they're building infrastructure along State Route 299 totaling 172 miles across the Humboldt, Trinity and Shasta counties. Infrastructure will be adjacent to the Redding Rancheria and Blue Lake Rancheria tribal lands and this project is on track to be completed by this December.

**Slide 16**

(Mark Monroe)
So the next one is another one of our leases. Boldyn is an important partner in the Bay Area segments of the project. I think we can all imagine the challenges of building in the Bay area and in the thick urban areas. Boldyn has already completed two of its six segments, and a third segment that runs from Oakland to Fremont is currently under construction.

**Slide 17**

(Mark Monroe)
The next two are going to make up a large component of the network. The first is CVIN, at more than 2,500 miles. CVIN is the partner with the largest section of MMBI network build out that we have from these RFI Squared partnerships. CVIN has started pulling fiber in 6 of 88 total segments of its existing network and is currently engaged with Caltrans districts for right of way and permitting for components of the MMBI project, so we can see that really runs the length of the State.

**Slide 18**

(Mark Monroe)
Similarly at 1,800 miles we have a partnership with Lumen. That will also provide significant amount of the network, Lumen has started construction on 2 of its 19 segments. 3 more segments will kick off construction in May of this year, and the remaining spans will start construction between the third quarter of this year and the first quarter of 2025. So again, you can see from the map there really, really excited about the amount of existing infrastructure. And for these leases, you're largely looking at existing conduit where fiber is being pulled for us for this. So really, really making up an important component of the network.

**Slide 19**

(Mark Monroe)
Then I had mentioned previously a Digital 395 CDT is purchasing a segment of fiber optic network from the California Broadband Cooperative. The network operates along the US 395 corridor totaling again, 435 miles across San Bernardino, Inyo and Mono counties, and the purchase approval process is underway at the county boards at the State, with the Public Utilities Commission and the Federal NTIA levels, and it's expected to be completed by the third quarter of this year.

**Slide 20**

(Mark Monroe)
And then, lastly, in addition to those RFI Squared partnerships, we've talked in the past about the government-to-government partnerships that we're working on. So you can see a list of some of these here these can be beneficial for both the CDT and the local and tribal agencies, since they allow us to share construction costs. And it's the same benefit that we get with a lot of the joint builds reducing costs by half for each of the partners, because this allows all of us to put our own respective fiber infrastructure into the same ditches. We're currently engaged with local municipalities, but these include tribes and cities and counties. And we're always looking for more opportunities for anywhere where we have folks or entities that are looking at doing last mile, infrastructure, and can look at our map, reach out to us and look for opportunities to see where we can share some of those costs. Next, I want to turn it over to Hang Liang, one of

our geospatial engineers, to briefly talk through the updates that we'll be making on our public MMBI website and maps, but I see Chair, we probably want to see if there's any questions first.

(The Chair)
Yes, that would be wonderful so we're going to go ahead, it looks like Secretary Tong has a question. I think we all wanted to say congratulations to you and all the partnerships that have been established. There's a significant amount of progress being made across the State. So on behalf of California.

(Secretary Tong)
Yes, thank you, Chair and Deputy Director. Two Comments. One is exactly what the chair mentioned that sometimes you don't realize how much is in progress until you see a visual representation of all of that, and I know you went through each one of those that are in progress, and then also dates associated. So that's really good to see that it is not only just a matter of signing the contract, but a little bit more abstract and actual constructions taking place so thank you for showing that. The specific question I have is on the very last slide when you had a California map with multiple dots, where there's government to government coordination. You said that the local governments or tribe, they are in the midst of building last miles but reach out to the middle mile project to see if there's either a cost sharing or a partnership developed there. Can you elaborate on that a little bit? Is that cost sharing on their own investment of the last mile because some essential middle miles are going there, or is it cost sharing for the middle mile portion of it, because their last mile potentially has a little bit of a crossover? I think I just want to have a better understanding of that.

(Mark Monroe)
Yeah, I mean, I think it can include both. The best way I like to describe them I think a good example is in a place like Fort Bragg, where you know their community actually runs along the freeway. So the fact that they're going to tie in at a given location to the MMBI network means that they still need to get from the northern end of the town to the southern end of the town. They still need to run conduit fiber all the things that we're doing, they need to do the same work to get their last mile network to their community. So the idea is that while our middle mile is going through there, we have that ditch so they'll still have their place that they tie in. But then they'll be able to run their own infrastructure in the same holes that we're building. They would have to do it anyway and we have to do it anyway, so we're able to share and split those construction costs. Does that make sense?

(Secretary Tong)
Got it. So it's not so much of the connectivity of their last mile into the middle mile. But it's to share the construction cost, because it's almost like how Assembly member Wood would speak out big about The Dig Ones policy, if you're going to dig, you might as well do multiple effort along with it. So, it's about that type of cost sharing.

(Mark Monroe)
Exactly.

(Secretary Tong)
Okay. Got it. Thank you for that.

(The Chair)
Thank you, Secretary. Assembly Member Wood.

(Assembly Member Jim Wood)
Thank you, and just for the record we don't have a freeway in Fort Bragg. We have a highway that's two lanes and sometimes maybe a little bit more, but we don't have a freeway. So anyway, just a question. I noticed you showed a lot of progress and a lot of different networks and things. But one of the things that obviously, my district, I'm interested in I didn't see anything in there related to Sonoma County. And there are projects that were in the quote unquote phase two at some point, but I didn't see some on there? Do you have updates for those areas? Highway 116 in particular and there's segments along Highway one as well. Did I miss it somewhere because I certainly didn't see that if you included that.

(Mark Monroe)
Yeah. And that's probably a really important distinction that maybe I didn't lean in on enough. What the segments are that I just walked through all of the RFI Squared and so those are other partnerships that we're doing joint builds and leases and purchase and things like that with. So there's the other segments of the network and there's another 4,000 miles. That's where Caltrans is building. Caltrans will be providing an update in a few minutes here. And so they'll be able to kind of talk about what the progress looks like on that front.

(Assembly Member Jim Wood)
Okay. Alright. Thank you.

(The Chair)
Thank you, Assembly member. Are there any other comments or questions?

**Slide 21**

(The Chair)
Alright, we will go now to Miss Hang Liang to talk about the network updates. There are some enhancements that we're going to start being able to see out there. So, Miss Hang, if you'd like to go ahead and take it away.

**Slide 22**

(Hang Liang)
Thank you. Since the last MMAC, see the next slide please. Since the last MMAC we have made the network version data available on our website as part of our effort to improve transparency. The interactive data is intended to be visual friendly, comparing the current and previous version release of the network. Next slide, please.

**Slide 23**

(Hang Liang)
The network design data, starting January and onwards can be downloaded in any GIS file format. The link to both interactive and downloadable maps are available in the map update log page.

**Slide 24**

(Hang Liang)
We are excited to share that we are launching a project status map later this month, a dynamic map designed to provide stakeholders with insights into the progress of the middle Mile Broadband Network. This map offers a comprehensive view of progress in these areas, empowering communities to track advancement of these critical initiatives. With the addition

of the project status information this will be the new landing page for the Statewide network map. You can still access all of the current landing page and information after the website update by navigating to the network development link in the top banner while the interactive network map link would direct you to the map.

**Slide 25**

(Hang Liang)
Here is a preview of the map application on the screen. A network area will fall into one of the 3 statuses pre-construction, installation and ready to connect. Clicking on the area within California will open a county pop-up window with a breakdown of miles on each of the 3 project statuses. The definition and activities associated with each of the statuses is also included. Again, the project status data is going to be an addition. So all of the current existing data will still be accessible on the map. We will have a help button on the bottom left corner of the page which will include a user guide to help with data navigation for anyone who needs it. In terms of accessibility, we have put in a lot of work in the color contrast to make it as accessible as possible. The project status data in table format will also be available. I'll now turn back to Mark Monroe.

**Slide 26**

(Mark Monroe)
Thank you very much Miss. Liang. Great work you and the GIS team have done, not only in helping us develop the network, but being able to help display it on our website, and really help us with these presentations and the stakeholder engagement in general. On the on the topic of stakeholder engagement, Deputy Director of communications Monica Hernandez, will now be providing an update on the latest stakeholder engagement efforts. But as I turn it over to Ms. Hernandez, I want to note that CDT continues its efforts towards broad engagement with stakeholders and communities. And has had the opportunity for more than 120 such engagements since the last Middle Mile Advisory Committee met in January. With that, Ms. Hernandes.

**Slide 27**

(Monica Hernandez)
Thank you. Next slide, please.

**Slide 28**

(Monica Hernandez)
Good morning, members. I'm Monica Hernandez, deputy director for communications and stakeholder relations at the California Department of Technology. And I'm going to give you a brief summary on the first middle mile Broadband initiative stakeholder meeting. Just in the interest of having a new member, Member Perrault, this was the first presented at the last Middle Mile Advisory Committee for Feedback and direction. In response to you all asking us to take any steps we could to increase our transparency. The purpose of the meeting was to create a place where stakeholders could engage in question and answer with our team rather than to do what many feel was their only opportunity to voice their opinions, which was public comment at these meetings. It's important to note that these meetings, the stakeholder meetings, are not intended to in any way discourage participation and provide public comment. While the Department continues to take steps to increase transparency, we will continue to see

a point of tension with stakeholders who want to have more influence or insights into the business decisions and business meetings within the purview of the Department of Technology, Caltrans, and the Public Utilities Commission. This tension is even more evident with advocacy groups that are looking to get our partners and ourselves to make date and certain time commitments that we just cannot do around specific segments. Now, these are areas of their concern. And I think it's important to highlight those and acknowledge them as well. Nonetheless, our team, the Middle Mile Broadband Initiative, our partners, Caltrans and the Public Utilities Commission are committed to doing everything we can to increase our transparency listening, and whenever possible, adjusting our operations to include more best practices in communications and transparency. Next slide, please.

**Slide 29**

(Monica Hernandez)
For our first meeting we invited a range of non-governmental and non-Internet service providers stakeholders to this meeting. We really wanted to reach community representatives while we generally had good numbers of attendees, high density urban areas were the majority represented by the participants. We're working internally to identify more organizations that represent rural communities so that we can have a balanced representation across the State. It's important to note as well in this that we did invite tribal governments to participate as well, though they do have, as you all know, unique status and government to government meetings and negotiations with us, but again wanting to be transparent to all of our stakeholders. Next slide, please.

**Slide 30**

(Monica Hernandez)
Here's the meeting agenda that we had. Our meeting was planned for 90 minutes again, with presentations by our staff, including our partners at Caltrans. We had roughly 18 questions answered live in the meeting and then some were answered in the Q&A chat with attendees having visibility into that. Some of the key themes to emerge during the presentation and the meeting were of course increased transparency, commitments on dates and certain construction, details of contract leases and terms, details on operation and maintenance terms and guarantees of differential pricing of the network when operable. Under the theme of transparency what was clear was a high interest for more detail. This includes requests that we can address as you just heard from Ms. Liang. We are responding to stakeholders asking for progress updates, construction updates, where our segments are very happy that we are able to respond to that. But there are other places where we cannot accommodate the requests. Some requests that we can't accommodate are sharing details of the active request for innovative ideas. That's an active procurement so we are not able to disclose any contents or details aside from the number we received, and our estimated timeline working through that process ahead. We were also asked to make some of our private meetings more public, including publishing who, meeting attendees, were time and place. Again, there are certain business operations, meetings that are not and will not be made public again. Wanting to go back to one way that we were able to respond. We did hear from advocates and stakeholders that there needed to be more transparency and to provide more information on the progress that we are making. So, in addition to the mapping update that you saw that will go live at the end of the month. We have the What's New section where we will continue to publish construction updates and other progress reports. Under the theme of dates, certain

construction and lease term stakeholders are advocating for their communities. We understand that we understand the passion, and we understand the concern. But, as you know, we are committed to building the full 10,000-mile network, and have many factors to consider, including advancing projects, as they are ready, and not holding money or making commitments that could put us at risk of missing our federal deadlines or missing opportunities for shared costs or project acceleration. On the details of operation and maintenance terms and guarantees of differential pricing network. We want to acknowledge that we've heard this, and we will share this information and consider it moving forward. But what I want to make clear is that we are not making commitments. We cannot. These are all important terms and negotiations that will happen with a third-party administrator. We will carry these messages forward in our work and want to assure you that we're going to continue to look for opportunities to listen and be more transparent. The input that we are getting at these meetings are shared with our partners and carried forward. Our partners at Caltrans and the Public Utilities Commission each have their own unique processes and guidelines to adhere to, and we continue to work together to ensure that we have the same operating information and the same information around priorities or concerns from our stakeholders. And next slide, please.

**Slide 31**

(Monica Hernandez)
Here's a snapshot of some of the feedback from our meeting evaluation that we sent out to all attendees. We only had a 25% response rate. And for this slide we have removed neutral data, the neutral opinion. So we really wanted to kind of show what people thought and felt. As you can see this open-ended feedback was varied. So, we have open-ended questions and then these Likert scales. Folks expressed both that there was sufficient to too much information, and also not enough information. I think that that dichotomy really shows the challenge and the opportunity ahead. I don't know that we will strike a perfect balance where everyone feels that they have just right information for them, but we are committed to keep trying and iterating as we go forward again. This was our first stakeholder engagement process in response to your direction, to continue to engage with stakeholders and become more transparent. Our next meeting is tentatively planned for the last week of May, but we don't have a firm date. That concludes my formal presentation, and I'm happy to answer any questions.

(The Chair)
Thank you, Ms. Hernandez, and also thank you, Ms. Liang. I would like to open it up to any committee members if you have questions or comments about what you recently heard. Assembly Member Boerner.

(Assembly Member Tasha Boerner)
Well, thank you so much, and I'm so happy that you give us an update on the stakeholder meetings. I think you know there's some things we can't share, but my experience has always been what we can share we should, and that creates trust in the process. So I really appreciate that. So you've said you've had one of these. What are the plans for the regularity for future stakeholder meetings? I think that's another thing where we think about trust in this process, trust and people who are really advocating for ending the digital divide to be able to have access to information and the process. What are the plans for them? Is there a regular plan for them and I'm not sure I missed if you could do it in multiple languages.

(Monica Hernandez)

No, I'll speak to the language first. We only have these in English. But we do have a notice for a reasonable accommodation if needed. And thank you for raising the language access, I will factor that in better next time, and then in terms of our regular cadence, we are planning these to be quarterly.

(Assembly Member Tasha Boerner)

And are they all virtual or are all also in person?

(Monica Hernandez)

They're 100% virtual to maximize, being the middle mile broadband initiative and talking about connectivity, I still believe that fully virtual allows more opportunity for people across the State to participate. So our plan at present is to continue with fully virtual meetings.

(Assembly Member Tasha Boerner)

And I think that fully virtual aside, I think translation is really important. I know, even in my community where I live, we've tried when we've done outreach on things that impact the community. If we want folks to be involved, it's one thing with stakeholders but if you want community folks that have traditionally not been involved, if we're not providing the language services around it, for translation, it's really hard for some of our community groups, especially here in San Diego, to be involved.

(Monica Hernandez)

Thank you.

(The Chair)

Thank you so much, Member Boerner. Any other questions or comments? I see, Supervisor Alejo.

(Supervisor Alejo)

I just wanted to thank staff for taking that into account and doing some of the public comments in our past meetings. We obviously had a lot of public input, and this was a response to that, to give those opportunities, I think the process is important. This is the largest project of its kind in the our history of our country, and that I think when we look back, we want show that we responded to the community by providing those additional opportunities to provide their valuable input and their voice. The only thing I would add for not only this, but I think it'd be nice to have the slides. I have bad vision. So it's hard to see everything and to be able to get the materials in advance and perhaps make some of these slides available online so the public could follow along because I don't know how clear it is on zoom for them to be able to follow what's happening. But if the some of these slides could be posted, it would make it more meaningful for them to follow what you're presenting, and it would also be useful for me to have in front of me. And if it's emailed or it's posted, I would bring it with me here, but obviously not have it in front of me it's hard for me even to see what's on the screen here. Thank you.

(The Chair)

Thank you, Supervisor Alejo. We will take that back, and I do believe there are slides in the back. Can someone please make sure that the members have copies of that, appreciate it. Thank you. All right. Any other questions or comments from any members? Alright, we're going to go ahead and go to the next agenda item. We also have a new Caltrans Representative, Mr. Jeff Wiley. He is replacing Janice Benton, who has been near and dear to all of our hearts. She's

been a partner through this from the beginning, but it sounds like Mr. Keever promoted her within Caltrans. So I guess I'm happy for her. But I'm also happy to see you, Jeff. So if you'd like to go ahead and give us an update.

### Slide 32

(Jeff Wiley)

Thank you and good morning, Chair Bailey Crimmins, Committee members, and others from the public. My name is Jeff Wiley. I am the new Assistant Deputy Director over the middle Mile Broadband initiative at Caltrans. Taking over for Janice Benton, who has taken on the new assignment. I will be providing an update on the progress being made for the Caltrans portion of the Middle Mile network.  Next slide, please.

### Slide 33

(Jeff Wiley)

My update will focus on the department's progress since January, including the headway being made on having projects ready to construct. Next slide.

### Slide 34

(Jeff Wiley)

As shared at previous MMAC Meetings, this slide shows the progress we are making on the pre-construction task, for the Caltrans build. Preconstruction relates to the work needed to complete the design and secure necessary environmental and right away permits for approvals. For the tasks associated with pre-construction counter instance completed 51% of the work associated with those pre-construction tasks and the remaining 49% is in progress. Next slide, please.

### Slide 35

(Jeff Wiley)

This slide breaks down the information from the previous slide and shows the progress by Caltrans districts on the tasks associated with preconstruction work to install the fiber in the conduit. We continue to see progress being made month over month and continue to see the amount of blue with the completed tasks increasing. What is not reflected in this chart is the progress the districts are also making on the approximately 120 shelter network hubs that are part of the Caltrans build including elements such as foundation reports and site plans. I want to note, that we continue to work closely with the districts to ensure progress, that we maintain progress to have all the Caltrans miles ready to construct by December of 2024. Next slide, please.

### Slide 36

(Jeff Wiley)

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 our segments in green. As march, and the end of the first quarter came to a close cumulatively 175 miles of the Caltrans build ready to construct. This is a shift from the number of miles we expected to be under construction, and it reflects the adjustments to projects to incorporate unanticipated modifications and the updates to project work plans based on the latest developments and challenges in the delivery. And Caltrans continues to coordinate closely with CDT and pivot as

needed to ensure alignment as CDT makes decisions regarding the submissions from the second RFI Squared that CDT covered earlier. Caltrans teams across the State continue to work together to leverage the best practices and lessons learned from the initial work orders, as well as increase the collaboration with external partners, such as State and Federal resource agencies, to meet commitments of having the Caltrans build miles ready to construct by the end of Calendar year 2024. Returning to the quarterly outlook for the Caltrans build miles that will be ready to construct, in the second quarter, by the end of June an additional 475 miles are expected to be ready. In the third quarter an additional 1,000 miles will be ready and by the end of the fourth quarter of December the 2024, another 2,350 miles would be ready to construct. Next slide, please.

### Slide 37

(Jeff Wiley)
What this means is that over the course of this year Caltrans anticipates having approximately 4,000 miles ready to construct. The map on this 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 the conversation. Even as CDT leverages the cost savings and benefits from the thousands of miles being delivered via joint build, lease, and purchase. Caltrans will still play a pivotal role. We will provide oversight of the installation by partners along the State right of way. We will pull fiber through some of the partner installed conduit and install vaults for the Middle Mile Broadband Network and Caltrans build segments will be used to connect and bring together various pieces of the network. And as you look at the various locations of the Caltrans build, it also reveals the branches that we are building.

And how these miles will extend the connectivity of the network into some of those remote communities factoring in the geography of the State, this also shows some of the challenges faced by the Caltrans build with segments winding through foothills along the coast and in the mountains. While we have challenging miles, we want to once again reinforce that Caltrans will have all of the miles in our build ready to construct with the commitment to complete construction of the entire Caltrans build by December of 2026. Next slide, please.

### Slide 38

(Jeff Wiley)
And to that end I want to give you a different view of the work underway. I'm excited to share a video highlighting some of the construction that is happening now across the State on the Caltrans build segments. And I would also like to thank not only the Caltrans public affairs team for creating the video, but also the Caltrans district and headquarters teams for their ability to get projects to construction while pivoting, to modify their projects, to align with the evolving nature of this dynamic program. So if you could please play the video.

### MMAC Caltrans Video

(Jeff Wiley)
As the sun rises in Mendocino County along State Route 20 in Northern California. The day begins with the sights and sounds of progress. The California Department of Technology, with support of Caltrans, is making headway towards creating the historic Middle Mile Broadband Network. Thanks to Federal dollars, State funding and an unwavering commitment from Governor Gavin Newsom, supporting digital equity locations like this one on State Route 20 and others in Riverside and in Inyo counties are active with broadband construction. Crews across

the State are building the backbone of an open access middle mile system designed to provide affordable, life changing, high speed, Internet access to unserved and underserved Californians, making the digital divide a thing of the past. To make this goal a reality thousands of miles of broadband cable will crisscross the State, forming a vast open access, middle mile network, a public asset that will create opportunities for Internet service providers and enterprise users such as schools and libraries. To complete the last mile of connectivity, back along the shoulders of State route 20, heavy machinery like this fierce chain trencher is called into action. Where it churns into soil, gravel, and rock to dig deep, narrow channels where thick-walled durable conduit tubing will carry fiber optic cable throughout the system. Projects like these will start construction across the State this year and break ground consistently until the network is completed by the end of 2026. Guided by a people, first, philosophy and unwavering dedication to connect communities and human beings to one another, Caltrans is improving lives and communities through its role in building this historic network one mile at a time.

(Jeff Wiley)
So thank you for your time. That concludes the Caltrans update. Happy to take any questions.

(The Chair)
Thank you, Mr. Wiley, and I just thank you Director Tavares. That was just amazing. It's always great to see you know, work in action. So thank you very much. And I'm going to go ahead and open it up to any questions or comments from members. Supervisor, Starkey.

(Supervisor Valerie Starkey)
Yeah, I'm sorry it was I was trying to unmute. Thank you for that presentation and the video. I think that's really helpful to explain to our constituents what is actually happening. My question is, with the RFI Squared second round of potential contracts going out. Will that then alter the Caltrans constructions, are you guys locked in and that's exactly what you're going to be doing? Or will these new contracts and these new agreements alter what Caltrans is actually committed to?

(Jeff Wiley)
So for that question, I'm going to turn it over to Mr. Monroe.

(Mark Monroe)
Yes, thank you. You're correct. That's a really important point. As we go through this new RFI Squared process, we're taking that into consideration. Alright, as we go through the 50 plus proposals you know, trying to map those out and make sure that when we choose a section, we know that it's the right way to approach it. And so when we're moving to construction, we're moving to construction on areas where we don't have another alternative.

(The Chair)
Thank you. Supervisor Starkey. Secretary Tong.

(Secretary Tong)
Yes, thank you Chair. In fact, I had a similar question, but more of a you know, validating than what I'm hearing from the presentation. Mr. Wiley is that even with those joint bills, or possibly lease, but probably more on the joint bill, where additional conduit or fiber needs to be pulled, it could be done by the partnering, you know, through the results. RFI Square Caltrans still plays a role as an oversight correct for them to make sure that the construction or installation, and however the terminology is that they are still built to the standard of where the State have contracted them to do right?

(Jeff Wiley)
Correct. Yes. For anything that goes into the State highway system, we provide an oversight role to make sure it meets the standards that Caltrans has.

(Secretary Tony
Got it, and that's in addition, maybe, with the exception of lease with the joint bill, for sure, all the permitting still effort are still required. And that's why the permitting aspect for the entire totality of the mileage is still being pursued regardless of who's actually installing.

(Jeff Wiley)
Correct. So they'll come in. They'll get an encroachment permit from Caltrans, will provide an oversight to their plans, and what's going into the ground and make sure it meets our standards. So yeah, we still have a role, and almost every mile.

(Secretary Tong)
Got it. So maybe just to summarize. Really, the Caltrans Road is the construction is the visible side, but the pre-construction, the permitting part of it, that is across, regardless who's actually building it?

(Jeff Wiley)
Yes.

(Secretary Tong)
Okay, alright, thank you.

(The Chair)
Thank you. Secretary Tong, also Assembly Member Wood.

(Assembly Member Jim Wood)
Thank you. And that actually kind of spurred a question, probably back to Mr. Monroe, I think. And I apologize for that. And that is, when do we expect the second phase of this RFI Squared process to be completed, and then also any existing unencumbered funds to be exhausted at this point?

(Mark Monroe)
Yeah, absolutely so we're going to try to finalize the new RFI Squared by this July. That's a couple of months ahead of what we were able to do last year. We have a little more experience doing it now and then, relative to the encumbrance. Yeah, I don't know if you want it by funding source. I can give it to you by funding source or just total?

(Assembly Member Jim Wood)
Just in the total with this one. Thank you, though.

(Mark Monroe)
Okay, yeah. So at this point, we have 2.4 billion dollars encumbered and I think that we have a final 700 million. You might remember we have another 250 million that are that that's in the base budget for next year. But basically, we have 700 million that we will be encumbering in the next month or so for a combination of construction and electronics. And then to the extent that any of that construction ends up being swapped off RFI Squared. Then some of that might be used there. But we've encumbered 2.4 billion so far and expect to have the rest encumbered within the next couple of months.

(Assembly Member Jim Wood)
And then kind of a final question. And just in this regard, do we have projects that are ready to go under contract or close to being contracted, that we just don't have the ability to move on yet because of funding. Are there any? Are there any holdups anywhere through the process where everybody's moving. And we're not able to move in an area. A project may be slowed down because of the way the funding is coming in.

(Mark Monroe)
I don't believe so. I think it has to do with the rollout schedule that Caltrans presented in terms of getting preconstruction ready. That is something we will run into later this year. Obviously, which is the reason we had asked for the 1.5 billion dollars in the budget. But so far Caltrans has been keeping pace with our funding relative to their preconstruction work, and so I guess I should put it the other way. Funding has kept pace with Caltrans preconstruction work. But we will run out of that later this year.

(Assembly Member Jim Wood)
Okay, thank you.

(The Chair)
Supervisor Alejo. You have a question?

(Supervisor Alejo)
Yeah, two questions first of all, for Caltrans, so just to be clear, there's 4,000 miles ready to go. And you stated that you're confident that there would be completed by December 2026?

(Jeff Wiley)
So we have 4,000 miles that we're continuing to work on. We'll have the delivery of those miles ready to construct by December of 2024, with those being

Completed construction by December the 2026.

(Supervisor Alejo)
Great that's fantastic to see here, you know. And the follow-up to what assembly member Wood was saying was, in our past meetings we have, it's a 10,000-mile project in our past meetings the number I had before was 1700 miles. That's where we had some kind of shortfall in terms of the money that we needed to complete 10,000 miles. In the last staff meeting you said that the Governor put in the January budget of 250 million and 1.25 billion more for the following year. Does that money complete the shortfall, the 1,700 or the 2,200, I think that you told me during our meeting? I'm just bringing that up because we all know the May revise is coming out. There are negotiations happening a few blocks from here, obviously on the budget. A very difficult budget. And I always thought it was important for us, as this Advisory committee, and certainly Supervisor Starkey and I's local government and the legislative members as well. How important that commitment is to make sure that we can complete all 10,000 miles and get this across the finish line. But in a difficult budget year that' it could be easy to start pulling back dollars. Obviously, the Department of Finance came out a couple nights ago telling counties that money that hadn't been delivered might get held up right. So that's why I'm raising concern. I know this is the worst budget deficit we've seen I think, in our lifetime. And I started an assembly when we had a 26 billion dollars deficit after a great recession that was very difficult. This is much greater than that. And I just wanted to raise concerns, especially from a local government perspective how important it is to keep the iron on and keep highlighting the need to make sure that those dollars are in in the budget this year,

next year, so that we can fully complete this project, or what we committed to the people of California that we would realize in our state. Could you just explain where does that stand?

(Mark Monroe)
Yeah, absolutely. And we share your concern. And so the 1.5 billion dollars between the 2 years is intended to complete the remaining 2,200 miles.

So that's in the budget. And that's what we're asking the legislature for at this point. So any support we can get on that front would be fantastic.

(Supervisor Alejo)
I know you guys have been going to the Budget hearings. And I appreciate that to keep speaking up, and how important that is. But a lot will happen from now through mid-June when the legislative votes on the budget, and I just want to make sure that we're continuing to ensure that that money remains in there. Thank you.

(The Chair)
Thank you, supervisor. Any other questions or comments?

(Secretary Tong)
I think, with more of a clarification, actually dovetail to both supervisors. Are there any contingents on the new budget that would prevent Caltrans continuing the work that they do. Mr. Monroe, you say everything you had is on track. The pace of Caltrans' work is on pace with the budget. But is it also fair to say that is the preconstruction side of things, the permitting all those prep work. If there's no additional funding, then the further construction is not going to begin.

(Mark Monroe)
Yes, that's a very good. It's very good that we kind of try to clarify that. You know, Caltrans has several different kinds of work, and we generally think of it as preconstruction and construction. And so Caltrans has the funding, and they're continue to go through and do that pre construction. That's the design that's the permitting. And we have funding for that. And they're going to continue to move that through this calendar year to be able to complete the pre-construction on the 4,000 miles. Or you know, if it's something less, you know after the RFI Squared, whatever that ends up being. So we're okay there. But that's a really important distinction yes, what we've asked for in terms of the funding is really the construction side of it. That's where Caltrans's can finish the permitting and get everything ready. But if we don't get the extra funding, we can't move forward with the construction of it.

(Secretary Tong)
Thank you.

(The Chair)
Thank you, Secretary. Any other comments. Thank you very much again, Mr. Wiley and Caltrans, we're going to go ahead and shift to Mr. Erik Hunsinger, who is the CEO of the Golden State Net, who is our third-party administrator.

**Slide 39**

(Erik Hunsinger)
Thank you, Chairwoman Director Bailey Crimmins and the committee. Thank you for allowing me to speak today. Next slide.

**Slide 40**

(Erik Hunsinger)
So we are progressing with development of the network elements, including fiber, are well positioned to be deployed over the next year. But integral to making that lit and work for communities is the hut locations. I want to point out that Caltrans is involved with every one of these huts, regardless of the fiber type, whether it's leased or joint build or constructed. So they've been an integral partner in the planning process to locate these facilities. These hut locations are strategically placed to do 2 things, one to run the network, but also to serve the communities by reducing backhaul costs. One of the most important elements of the network design and the philosophy is interconnecting mid-span in between these huts and the huts drive the Internet connectivity from their location to anywhere in between the huts, allowing for reduced costs for construction.

So, in other words, all of the FFA money, BEAD money, any potential last mile funding will be driven to connect homes instead of middle mile infrastructure. So that's one of the elements that's a part of the overall hut design. There are over 160 locations. The core backbone that runs through the huts is really driven by 13 locations and the initial pair of fibers will be lit for 400 gigs across the backbone. You'll see a picture of that in the next slide, please advance.

**Slide 41**

(Erik Hunsinger)
So the core backbone is comprised of about 4,200 miles of infrastructure. If you think of this in layers. This is really the heart of the middle mile network. And so this drives the connectivity to all the satellite locations and interconnects them with broadband connectivity. So the intent is to connect this network into other telecom infrastructure, commercial and locations around the State. And that will drive Internet access out to all these locations along the path. The core backbone really reduces the cost of delivering Internet to households across the State. So if you think of the Internet really being active across this network, then communities along the path just simply need to tap in. And so the remainder of the network that's being constructed beyond the 4,200 will tie communities into the core so that they can select the products and services they need to make the Internet really effective for them, next slide.

**Slide 42**

So as deputy director, Mr. Monroe had already noted the RFI process or RFP process for electronics is wrapping up. That is going to leverage the fiber and deliver high bandwidth connectivity. So over 32 terabits of capacity will be created across the network. That's accessible anywhere, right? It's not at one location that is accessible across the network. And so capabilities on the network will include 10G, 100G, 400G waves and creating communities of choice. Whatever it is, they need to drive the infrastructure in their community. And, as I said, the networks accessible in between the huts, so that lets service represents connectivity in between the huts that are accessible and can connect into the core, and then get wherever folks decide they want, whether they're commercial entity or community, or whatever. So this infrastructure is really only leveraging the first pair right? There's 288 fibers on these cables largely, and so this represents the opportunity for expansive growth and bandwidth for generations to come. Believe that's the conclusion of my slides and update. I will say with a Golden State Net, we're a team of 20 folks with over 2 decades of commercial experience. And we're confident that if the policies that we've set forth at the beginning in collaboration with

CDT, are followed, the State will develop broadband and reduced infrastructure costs for last mile development and for the future to come, either during the FFA process, BEAD process or 10 years from now communities will be able to drive low-cost bandwidth solutions to households. So

(The Chair)
Thank you, Mr. Hunsinger and I don't know if everyone knows, not only are you the CEO, but you didn't start off that way. You are an engineer at heart. And so you like to geek out on some of this sometimes. But we really appreciated all your hard work on the design and pulling all this together because fiber is fiber. But when you actually start connecting to electronics and making those connection points to the communities. That's when you have a network. So congratulations and thank you for all your hard work. I'd like to go ahead and open it up to any members. Yes, President Reynolds.

(President Reynolds)
Thank you and thank you for the presentation as someone who's not an engineer I really appreciate the clear explanation. And so I had a question about the hut locations you described, and you depicted the where the huts are going to be, as well as the 29 core huts. Is there a difference in design planning the capacity of the build? Any difference in the huts based on whether the middle mile is a build, a joint build or lease area?

(Erik Hunsinger)
No, there is no difference in the contract type that CDT has created. The difference really exists around whether it's a core hut or not. And that really comes down to just power because it requires more electronics, more intensive power at those core huts. But all the huts are designed in the same fashion, and they have the same footprint. There is one exception along the 395 routes. Those were existing huts that we did not procure in the same fashion. So those are going to be legacy infrastructure. They're actually a little bit larger than what we were able to put in for the remainder of the network. But by and large they're all the same.

(President Reynolds)
All right. And then I have another follow-up question on that point about the difference in power capacity, for the 29 core huts do you have discretion about as to where those are located? Or are there specific places where we really need to have those core huts because of the function of the system?

(Erik Hunsinger)
That is true. We do have a requirement. It's based upon the electronics that are selected. So there is some tolerance and limitations that we have to meet. There's some spacing, 5 miles is probably not significant, but 20 miles is very different. But I'm assuming, and please correct me if I'm wrong, but if you're saying that you're interested in having core connectivity, that doesn't need to have a hut nearby. You can connect via fiber into the infrastructure and go right into the core from any location in the State. You will have the same types of services at the edge of the network as available in the core. So 100G, 400G, 800G is possible and will be available anywhere in the State.

(President Reynolds)
So just to clarify my question was really driven by the capacity of the distribution system, and whether there's flexibility in working with the distribution system owners to find places on the system where existing capacity is already available, or so kind of getting it, matching the needs

of the middle mile with the existing electrical distribution system, so that we can minimize costs across the board. I encourage you to work with the utilities on trying to maximize efficiency and happy to help with that.

(Erik Hunsinger)
I couldn't agree more. There are examples around the country of leveraging utility infrastructure to reduce costs for last miles. There is some risk with that. I think it was covered or mentioned in the newspaper earlier about cables cut at the airport yesterday. That's a slight risk, but it's well worth taking in order to deliver last mile infrastructure. So the network is not exclusive to any technology at the edge. Interconnecting is possible regardless of the construction type or lit services type, it can tie back into the Middle mile network.

(President Reynolds)
Thank you.

(The Chair)
Thank you, President Reynolds. Are there any other questions or comments?

(Secretary Tong)
Just a quick comment you have made about how Mr. Hunsinger likes to geek out. That's something I used to like to do as well. With that said, I was just watching, and completely agreeing with President Reynolds point about thinking about looking at the earlier count of the 90 plus FFA grants out of nearly 500. And Assembly Member Boerner's comment is like, how do you make sure people are actually taking advantage of this middle mile investment? And maybe this is a CPUC question later, as more funding is coming, the BEAD is coming, and then the annual CASF is coming.

How would this type of promotion, if that's not the right word marketing, about how thoughtful the middle mile network has been constructed or designed to have the connectivity, to have the electronics, to have the oversight of the quality of the build by overseeing by Caltrans? And I feel like a lot of this is really a good education material for those last mile candidates, deciding whether they are tapping to the middle mile or some other alternatives that they have. Again, it is more of a thought, perhaps, for staff to think about. As you know, more of this information becomes available. How do you package this information to let folks know about the benefits of tapping into a middle mile network. It's a comment. Sorry.

(Erik Hunsinger)
Yeah. I was waiting for the question. But I absolutely agree with your statement that it's important for, and I think it was shown in Ms. Hernandez slide, that there's 53% of folks participating in that event don't understand exactly what the middle mile is. And I think that's really a statement more to folks that are attending don't have a good understanding of telecom infrastructure, which is very different than fiber to the home right. And so I think the good work that CDT is doing in in coordination with Ms. Hernandez effort to communicate and educate will go a long way to helping folks understand. I will tell you that I have met with numerous counties and cities as well, in collaboration with CDT and you know there's a variety of skill sets. But the MMBN is positioned to bridge that knowledge gap and help communities who don't have those resources. Maybe they don't have that expertise, and they can get connected to the network, and it will take partnerships at the last mile. I suspect that there will be a mix of community driven networks and commercial networks wireless, maybe, just a variety. But the

MMBN is flexible enough to accommodate any of those needs that communities might define for their lives.

(The Chair)
Thank you, Secretary, and thank you, Mr. Hunsinger.

(Mark Monroe)
If I could just add, yeah, I think that's an excellent point. Within CDT, the MMBI program is part of the broader office of broadband and digital literacy. We've partnered with them, and we try to make more of those opportunities. I think a few weeks ago we were at the California association for local economic development and exactly to your point. We do this all the time. And then we go up to places and people understand that the Internet works or it doesn't work. I can stream, or I can't stream. But in terms of being able to take those opportunities. I think we're trying to look for lots of opportunities for kind of like an education function, really, to help them understand what their needs are and really what the potential is. Because you go to some communities you've never had it and you don't know what you're missing. And what you're missing is something that really could foundationally change a lot of the lives in the community. So I think that's an excellent point. And that's something that we're trying to maximize every opportunity to do.

(The Chair)
Thank you. There was a new acronym that some of the public may or may not know. So we've been always referring to the Middle Mile Broadband Initiative as MMBI. MMBN is what is the network that is the long term. So, MMBN, just for the public if you were wondering what the difference between is, the Initiative is building the network. So just wanted to make sure everyone understood. And we have a lot of acronyms in the technology and telecom world. But I just want to make sure that the public was aware of what that was.

(Erik Hunsinger)
I apologize for being a geek.

(The Chair)
No worries alright. I don't see any questions from them.

(Erik Hunsinger)
Chairwoman Director, Bailey Crimmins. I apologize. I need to excuse myself from the remainder of the meeting. My schedule dictates that I need to leave. Thank you very much for your time.

(The Chair)
Thank you, It's a pleasure.

(Supervisor Alejo)
And same for me. We have a conflicting Counties Association board of directors meeting happening, and I stepped out to attend most of this meeting. But I do have to take some votes back there, so I got to head out alright.

(The Chair)
Thank you for everyone's hard work. Alright. Many of the public and the members have been asking about the operating model. And at the January MMAC we did talk about doing a market sounding. And so today we have Mr. Ben Polsky, who's going to give us an update on what's going on in relation to operating this network that we're building. Mr. Polsky.

**Slide 43**

(Ben Polsky)
Thank you, Director. And can you hear me, okay? Yeah, thank you for the opportunity to discuss maintenance and operations of the Middle Mile broadband network, MMBN. And thank you for that clarification on the acronym I'm guilty of geeking out myself. So I appreciate it. As you mentioned, and as this committee will remember, at the January convening, following a discussion on maintenance and operations of other middle mile networks. MMBI was tasked with the market sounding effort to understand and analyze operations of analogous and successful middle mile networks operating throughout the country and produce a recommendation on operations for the State's Middle Mile Network, MMBN. Since then, the team has been hard at work conducting interviews and research on network operations throughout the country, as I mentioned. These included nonprofit, public and private ownership structures on 3 fundamental questions. Network operations, obviously, when something breaks, who fixes it. Governance and policy, who decides things like pricing and access. And third, financial sustainability and viability. The ultimate goal here is to make sure that the middle mile exists and is useful for last mile communities that has been reiterated over and over again today.

**Slide 45**

(Ben Polsky)
And so we've really done our research to figure out what works and what doesn't. And so with that in mind we've come away with sort of four clear findings we found that broadly analogous networks to MMBN are successful when the following conditions are met. Number one, anchor customers providing revenue streams day one. Two, expert and committed service level agreements that meet industry standards, and all parties can rely on. Three, good clear governance structure. And four, incentivized excellence from the operator. I'll go into some much more detail on this last finding incentivized excellence. But to note that more detail on all these recommendations.

**Slide 46**

(The Chair)
Mr. Polsky, I know you probably have your slides. If you just let the slide person know what slide you want us to be on, just so that we're following along.

(Ben Polsky)
We're just getting to this slide. So I think let's stay here for now. But thank you for that call out, and I appreciate it. The good thing about this is that these findings and much more will be summarized and public in the market sounding report that will be published on MMBI's website. So the broader community stakeholders, anyone who's willing and interested in reading their thoughts on this, that the team is put together. That will be available on the website. And so, fret not about perhaps me not mirroring the slides perfectly. So as I mentioned all these will go into the report. Maybe the next slide now, thank you.

**Slide 47**

(Ben Polsky)
So in order to meet those 4 conditions that I outlined MMBI will initiate a competitive and inclusionary operations and maintenance procurement to find an operations third party

administrator. All parties are encouraged to bid, I want to make that clear. This operations TPA, third party administrator, excuse the acronym will be expected to manage the network in a manner that, number one protects and safeguards the public policy interest in SB 156, including open access, nondiscrimination, affordable pricing and equity. Two, reliably enforces the service level agreements and operational excellence, and three, shares the financial risk so as to ensure the long-term sustainability of MMBN. In accordance with the market sounding findings in this recommendation MMBI has outlined a 2-part procurement approach that we again encourage everyone to participate in. Part one is to down select qualified proposers and part two is for proposers to, in conjunction with CDT, develop a full bid and proposal. I'll just make this note that we believe that this competitive and inclusionary process will allow the following. Number one, more perfectly safeguards the public policy interest via enforceable and robust protections embedded in the operational TPA agreement, which we will call the network Stewardship Agreement. Two, is to ensure MMBI is sustainable and excellent in its operations. We know that in order for MMBI to be successful, it needs to exist. People need to rely on its operational excellence. And all parties need to understand what it is, and what it isn't. And so with that in mind, perhaps, and this was preluded in Mr. Hunsinger's earlier presentation and Secretary Tong, you mentioned this earlier about really making sure that we're attuned to the last mile customer needs right. And so I'm really excited to announce today the launch, if you to go to the next slide, of a customer sounding effort.

**Slide 48**

(Ben Polsky)
So this, in conjunction with Monica's office and with a follow-up to some of the activities that were done previously. Market sounding was really about understanding the structures for maintenance and operations of the network. It did include a synopsis of potential customers but that was not the focus right. This focus is really about understanding the range of potential customers MMBI hopes to serve and figuring out and working together, right? It's a 2-way street. We're building this for them. They need to rely on us to figure out the policies and procedures for interconnection, for access, for services. So really to find out how we can best serve communities and working with those communities to make sure MMBI is attuned to those needs. More details on this customer sounding effort will be released on MMBI's website. This will be a transparent and open process with our findings, list of engagements, and conversations open for public comment. Again, this is really about taking in the feedback that we've garnered since the January session and reflecting that back in with sort of a change to our policies and procedures and outreach engagements going forward. With that I'll close my presentation and open it up to questions. Thank you.

(The Chair)
Thank you, Mr. Polsky. Are there any members that have comments or questions? I will ask a question, Mr. Polsky, as you were going through this, we had experts in January talking about including Mr. Hunsinger and a few others that talked about kind of how Maryland was doing it one way and in different states. And you can come, create different aspects of a network that is marketable, self-sustainable to achieve public policy objectives. Was there anything out of your interviews that you went through that was kind of an Aha moment? Anything that you'd like to share with the public or with the members that you felt like really anchored the direction that you and the networks going.

(Ben Polsky)
Yeah. And I will say that a lot of the key details again will be put in this report that I've been working with you and your team to put out and the broader team, including a list of experts that some of which testified at January's MMAC. I will say that the two primary ones are excellence and operations, incentivized excellence and operations. Hence, why, we're recommending that we go forth with this procurement. We need someone to tune to the governance structure, the financial obligations and operational excellence in order to make this thing successful. It has been successful in other places, so that's number one. And two, it's been successful because of the operational excellence to attract a customer base that is varied, that is inclusive, that includes sort of any and every one that could benefit from MMBN. And so that's one of the core findings. Another core one, again are sort of anchor tenants to start the process. And so we've been in conjunction with our development third party administrator, Golden State Net going out to find early commitments for a customer base in MMBI. And including right, the FFA applicants, who have already demonstrated their interest and their commitment to interconnecting with MMBI. And so again, part of the first bit of this this customer sounding is talking to those very entities, those who have already demonstrated that interest. And so those would be my two key findings that I'd like to report.

(The Chair)
Excellent, and my last question for you is timeline. We know that there are some of the segments that are going to come online sooner than the 2026 deadline. I know procurements are always tricky. But just in a general ballpark, what would this look like from an RFP phase one, phase two process.

(Ben Polsky)
Yeah. So part one and part two will total around 9 to 10 months. So starting hopefully as soon as possible, starting next month in May. This is again a very thorough process. It's a competitive process right, so this is all to ensure that the State gets the best possible end and agreement to ensure the long-term sustainability of MMBN. So there are no corners cut here. And I've been working with the procurement team in advance of this, so this is sort of button ready.

(The Chair)
Thank you, Mr. Polsky. One more opportunity for any of the members that might have questions. Oh, yes, Assembly Member Boerner.

(Assembly Member Tasha Boerner)
Thank you so much. I'm very interested in this. I think all of our partners in the last mile, and all of our consumers of the day are really concerned and interested in ensuring that we have the governance, the excellence, the reliability that you talked about. I would say a lot of your talking points went very quickly, and they didn't match the slides, so I'm not sure I got all the talking points, but if I understand correctly that will be in the report. So I look forward to reading the entire report. In the future it's helpful for your main talking points of the main principles when you say 1, 2, or whatever it's helpful to have slides for us to visualize it when we're going through a lot of information. And I think, when we get that ahead of time it makes it easier for us to be prepared and ask the appropriate questions. So with that, I agree with that process. But that was my feedback, and I'm looking forward to that entire report, so that we can look and see how do we ensure that the middle mile at the end of the day serves California with the best bang for its buck. And with that I'm sorry I have an 1130, so I have to jump off. But thank you, everybody.

(The Chair)

Thank you. Someone. Member Boerner. Alright. I see no more questions. And so we're going to go ahead and shift to our last agenda item from the CPUC. Ms. Maria Ellis.

**Slide 49**

(Maria Ellis)

Hi, can you hear me, okay? So thank you members of the count committee here. So I'm going to give you an overview of our programs under SB 156 and also BEAD. If you can move on to the next slide.

**Slide 50**

(Maria Ellis)

This should be a pretty familiar slide. It's just a snapshot of our SB 156 programs, and also includes our California Advanced Services Fund as a snapshot here and we now have included BEAD. What has come off since the last time is LATA, the Local Agency Technical Assistance. And that was part of the SB 156, and it was funded at 50 million dollars to provide local agencies, tribes, joint power authorities, technical assistance to in advance of the developing applications for the Federal funding account. And so I'm going to go through each of these programs a little bit more in depth. But this is just really a snapshot. I do want to point out that we have some funding levels up here. That BEAD is 1.86 billion. That's a federal program through the National Telecommunications and Information Administration and NTIA. And then we've got the California Advanced Services Fund, there is a BCP that was published in the January budget seeking to increase the spending authority for that 250 million annually. That's a surcharge funded program. And then the Loan Loss Reserve program, which is also in the budget, is proposed to have a reduction from 750 million to 500 million. And then the last mile funding account which is almost 2 billion. The funding for the LATA, Local Agency Technical Assistance, came out of that fund. So I'll keep moving along to the next slide and just keep diving into these a little bit more.

**Slide 51**

(Maria Ellis)

So this slide, I want to cover a little bit about the federal funding account. The goal of this fund is to provide direct last mile connection to unserved locations and end users. As a refresher, we closed the first window for the Federal funding account at the end of September of last year, and then went straight into our objection and rebuttal phase for applications. And so that ended in December, and since then we have been working earnestly to review applications holistically, including the rebuttals and objections. And I'm really happy to say that we are very much on time, according to the decision to be able to start making recommendations in phases on these applications no later than June. Of the total funding available in this account, the 2 billion, this is envisioned as a multiyear program. So we are in our first phase, of applications. And the formula, I just want to remind folks for those listening at home that the account is split up, so that every county receives an allocation, and that formula for that allocation for each county is included in the commission's decision, 2204055. And that basically states that each county starts with 5 million dollars in terms of an allocation for projects within that county doesn't mean that it goes to the county itself, just projects within the county boundary. And then, on top of that, they receive a portion based on their proportion of unserved locations from throughout the State. While we're continuing to evaluate applications and we are coming

in on time. So we're on time, as it relates to the decision but part of the timing scheme is also related to our stakeholders. We started out with LATA, Local Agency Technical Assistance, and we're starting to poise for kind of moving into the Federal funding account. But we heard from stakeholders, particularly a lot of our rural stakeholders and new entrant entities that would be receiving LATA that they needed a bit more time, to work through that Local Agency Technical Assistance to develop their plans, their engineering, their applications in order to be better positioned to submit competitive applications for the Federal funding account. And so one of the things that we've seen is we got 484 applications requesting 4.6 billion. And I think one of the really important takeaways from that is, we got a lot of new entrants and about 75% of LATA applicants converted, meaning they participated or directly put in applications into this program. And so that tells us that the groundwork of SB 156 to help communities kind of be masters of their own destiny, if you will, in terms of the digital divide is working so far. So I also want to move on to the next slide and talk a little bit about the interplay between MMBI and the Federal funding account.

**Slide 52**

(Maria Ellis)
I want to cover some of those pieces that Federal funding count uses a scoring system, a rubric that has been published in the decision. And applications that propose to connect to the MMBI would receive additional points in that scoring rubric. That said, not all applications that propose to the connect to the middle mile would necessarily be the ones to get funded. We're still evaluating all those applications. And then also want to note that there are some applications that might not propose to connect to the middle mile, but could still get funded, and that could be for a variety of reasons. It could be that there are other alternatives nearby that might be more reasonable for their connections. Or it could be related to readiness and ability to complete the project within the timeframe that is needed for this program. We do coordinate with CDT pretty regularly on this and try to share as much information as we know as we're going through the evaluation process. Next slide, please.

**Slide 53**

(Maria Ellis)
Okay, so I want to give you some updated statistics. We just completed an additional data, a request from our applicants to better refine the initial information that we received in the initial applications. So, this data reflects the recent updates application as of March 2024, and to reiterate this, this is just the number that proposed to connect. I know earlier the initial applications reflected 93 that said for sure, and then another 250 that said possibly. Through this new data request, we have been able to refine that number to 107 applications for sure, that say that they need the MMBI to be able to connect and make their applications work. Total, these 107 applications would serve about 115,000 locations a little bit under that, but just about 115,000 unserved locations, and in total, about 1.6 billion in requests. So what's interesting about these applications is that the majority of them are the public entities, for the most part, a lot of the joint powers authority, the tribes. And to me what that says is that it really speaks to the catalytic nature of the MMBI and the fact that we're creating an open access network. That new entrance we're bringing them to the market. These are folks that wouldn't be able to access the market otherwise. And so, while we are not sure, we're not saying that these are the ones that are going to get approved. It is an indicator of the demand for the MMBI and this open access network that we're trying to create as a state.

**Slide 54**

(Maria Ellis)

Okay, so Loan Loss Reserve. This program is not our Grant program unlike some of our others. It seeks to provide financing to entities seeking to develop networks. It's not easy if you're a new entry and this is for public entities, joint power authorities, and tribes. And because this is a financing tool it works really differently from our other grant programs. You don't have to just focus it on unserved locations because you're trying to create a model and a network that is viable. And so that means you'd need to be able to provide service to both served and unserved locations. We have included three tracks. So, one is for the general track anyone could apply for as long as you are meeting one of those entities. We have an equity track that really focuses on DAC, the disadvantaged community areas and low-income areas. And then also a tribal set aside or a tribal track that's about 10%. We opened our first window in March and includes it on April 9th. And we're really happy to say that we got 38 applications totaling a request of roughly a little over 430 million. Right now, there's 175 million available for this window. So we are going to be making decisions on that particular program pretty soon. And hopefully, we are going to be opening our next window in the summer in the July-August timeframe. Next slide.

**Slide 55**

(Maria Ellis)

Okay, California Advanced Services Fund. So this is our surcharge funded program. I'm not going to go over everything here that's in the slide. But this is just more of a snapshot of what has happened since our last meeting and the applications that we have received for these accounts since our last discussion. So you'll see here our adoption account, which is our digital literacy account, which also provides equipment and the effort here is to increase adoption amongst all our communities. Our public housing account, which supports not just public housing in general, but low-income community areas now as well, has given the new updates to the rules that the Commission just approved, our infrastructure grant accounts and then our tribal technical assistance account. One thing that I do want to note is you'll see here the next deadlines for all of these programs in terms of when we folks can submit more for funding through these programs. The deadline for the infrastructure Grant account has been postponed because as we are trying to bring BEAD on board, the Broadband Equity Access and Deployment Program, we really want to try to coordinate these accounts to the extent possible to allow applicants a full suite of tools as they look for next application rounds.

**Slide 56**

(Maria Ellis)

Next slide, please. So now onto the BEAD program, the Broadband Access Equity and Deployment program again, this is a federal program. In June 2003, the NTIA, the National Telecommunications and Information Administration approved 1.86 billion to the State of California for the implementation of this program. The goal of BEAD is really reliable last mile service for locations that NTIA and the Federal Government has identified as their eligible locations. Just a quick summary of where we've been in the last few months with BEAD and several months with BEAD. We did submit a 5 Year Action Plan last year, last July, I believe. And then most recently, in December, we submitted an initial proposal, Volume 1 and Volume 2. Volume 1 deals with the challenge process, Volume 2 with sub grantee selection. We're really pleased to report that on April fourth we received approval for our initial proposal Volume 1 which deals with the challenge process. All activities in terms of how the program is organized,

really have to get approval from NTIA, so they have to approve both Volumes before we can advance towards implementation. And in addition to that, the Commission must take action to design rules and implement the program. Next slide.

**Slide 57**

(Maria Ellis)

So here, I want to talk a little bit about what's going on with the challenge process, what is Volume 1. As directed by NTIA the CPUC will conduct a challenge process to determine the locations that are served, unserved or underserved. And all of the decisions on the challenge have to be approved by NTIA. Unlike CASF programs, the Infrastructure Grant account or the Federal funding account where applicants can file an application, and then we do a challenge or objection, and so stakeholders can object to an application. This is different. The NTIA has set up a process where they will issue a map that will be out, and stakeholders can challenge the status of their geological locations whether they are served, unserved or underserved. And that challenge will work its way through the system. That map, after the challenges are completed and the challenges adjudicated is then submitted to NTIA, and they approve. They have to approve the map before we can begin soliciting applications for the program. And so that is one key feature that is really distinct. And so we want to make sure that folks are prepared and understand how to participate in that program. The CPUC has issued a proposed decision for comments on Volume 1 and the challenge process. And you'll see here that we're taking comment on that currently. And then our early comments are due April 25th, and reply comments by April 30th, and the Commission may consider that no earlier than May 9th. One thing we're doing, and you'll see here, is we have the first in a series of webinars. Not all of them are listed here. But the very first one is actually next week. And it's on the model challenge process. And model challenge process is what NTIA has set up to say, this is the process that these elements of the process will not change, no matter who you are, and each State could put forward their own modifications as we did and were approved by NTIA. But until the Commission takes vote and approves Volume 1, we just want to kind of demystify, if you will, what that model challenge process looks like. And so we're going to start that in April. But we're going to be doing a series, a really big ramp up in May and we're going to post that all online in terms of how to participate both after the Commission considers the proposed decision. What the challenge process will look like, one specifically for ISP, one specifically for community stakeholders, and one specifically for local governments and tribes. Next, this is my last slide.

**Slide 58**

(Maria Ellis)

So you'll see here our milestone in April here, approval of Volume one. And then just big a swath of between 24 and 25, which is the rest of the work. And that means approval of Volume 2, which the NTIA is still considering. We don't have a date specifically about when that will happen, because these are NTIA driven timelines, and we're not always sure when that approval will come but we're still in that process. As soon as that volume does get approved, Volume 2, that starts the clock for the 365 days to basically complete the challenge process, do the solicitation, review applications, do the negotiations and applications, select sub grantees and then roll all that up into a final proposal which will be in 2025. That final proposal that includes list of all proposed sub grantees will be submitted to NTIA, and they must approve that

before we can start commencing and formally awarding applicants. So that's the conclusion of the updates on last mile programs.

(The Chair)
Thank you for the excellent update, Miss Ellis. Are there any questions or comments from any of the members? Alright, I do not see any at this time, so we're going to go ahead and go to the public comment, Miss Alvarado, if you go ahead and please provide the public comment guidelines to begin that process.

**Slide 59**

(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 min 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.

**Slide 60**

(Alicia Alvarado)
Emailed comments received prior to the meeting will be read at the end. We will start with the first person in line at the podium. Not seen any folks at the podium. Next, we will hear comments from Zoom with hands raised. We have Mr. Patrick Messac. Please unmute.

(Patrick Messac)
Good morning, Chair, council members and State partners. My name is Patrick Messac, and I'm here on behalf of California's unconnected, predominantly black and brown communities. First, I would like to commend Deputy Director Hernandez for ushering in greater accountability and collaboration with the community. I'd also like to thank CDT for committing to more transparency by publishing the status of map segments. On the deployment side I am deeply disappointed to hear that the State still seems unwavering in their first come first serve approach to spending down the hundreds of millions remaining in appropriated and encumbered funds. This inherently biases communities with the fewest barriers to deployment and has already resulted in the prioritization of segments being built in Pleasanton and Beverly Hills. Areas that already enjoy multiple options for reliable and affordable broadband, while poor communities were told to wait for future funding. We know the State is committed to building the entire 10,000 mile network, but amidst a record deficit we have to ask which communities can afford to wait. We implore this committee to demand that the CDT course correct and publish a clear criterion for segment selection that invests these precious remaining dollars in the urban, rural and tribal communities where they're needed most, not where it's easiest. In regard to operations of the network, differential pricing is a must. Incumbent monopolies have a fiduciary responsibility to block the middle mile from serving its intended purpose of enabling competition, connectivity, and affordability in historically marginalized communities where they exert overwhelming market dominance. CDT's statewide Digital Equity Survey concluded that the exorbitant price of Internet is the single greatest barrier to access to Californians. Currently, in Oakland the cost of middle mile is 5 to 10 times what it is in more competitive markets. This is not the result of technological feasibility, but corporate excess, collusion and record profits. Public dollars must serve public benefit. Municipalities and small

and regional providers have been clear. If you build the MMBI in poor communities and incentivize build up by pricing it equitably, they will come and serve low revenue density communities that endure, poorly maintained, woefully oversubscribed and or altogether non-existent networks. Please stand with the people, deploy equitably with remaining funds, and employ differential pricing to incentivize utilization in the highest poverty, least connected communities. Thank you.

(Alicia Alvarado)
Thank you, Mr. Messac. Next we have Carolina Mendez. Please unmute yourself.

(Carolina Mendez)
Hi, my name is Carolina, and I am the program manager and lead fellow at Oakland undivided. According to the CPUC, California has the most expensive Internet in the country at $157 a month, not because of technological feasibility, but corporate access and record profits. Monopolistic providers don't reveal how few people make it through their restrictive qualification process for cut rate plans. And even when they do, the quality relegates families to incredibly low speeds equating to second class digital citizenship. Furthermore, little to no business competition exists between large ISPs in California, since there is no market incentive to invest in infrastructure build out or upgrades in unserved or underserved communities. These companies simply maintain the status quo, relying on existing discriminatory infrastructure while upping the prices of their services which allows them to reap the billions of dollars a year. In the midst of the global pandemic, for example, industry CEOs seized opportunities for profit from government subsidy programs. From 2019 to 2020 charter spectrum, CEO saw a salary increase of almost 345 percent from 8 million dollars to 38 million dollars. In relation to middle mile, the hard truth is that incumbent monopolies have a responsibility to prevent the middle mile from serving its intended purpose in communities where they exert market dominance. This council must advocate for equitable allocation of remaining funds and pricing and terms that enable utilization of the network in low revenue density communities. Inaction is the same as repeating California's well documented history of bypassing redlined communities. Thank you.

(Alicia Alvarado)
Thank you, Ms. Mendez. That is the end of the raised hands. And there were no emails provided prior to the meeting. There's one more. I apologize. Lindsey Skolnik. Please unmute yourself.

(Lindsey Skolnik)
Hi there! Can you hear me?

(Alicia Alvarado)
Yes.

(Lindsey Skolnik)
Great. Hi! I'm Lindsey Skolnik, I'm here with the California Alliance for Digital Equity. I wanted to just make a very brief comment, thanking CDT for your expanded stakeholder engagement processes that have recently taken place, and the efforts to increase transparency. CADE is enthusiastic about participating in the new processes CDT has put together, and we hope they do indeed signal a genuine interest in transparency, accountability and community engagement moving forward with the MMBI. So thank you again.

(Alicia Alvarado)
No additional comments and emails were not submitted prior. Back to you Director.

**Slide 61**

(The Chair)
Thank you, Miss Alvarado, and everyone thank for the public comment. This is the opportunity for any members that might have any last statements before we close. Alright. I see none. So again, thank you to the committee, members, presenters and attendees for today's contribution. That's what makes this advisory committee so well rounded is because we have so much participation. Our next meeting is Friday, July 19th, 2024 from 10 to 1130 AM. With that we will adjourn this meeting. Look forward to seeing everyone in July.

End