

Action Plan
for the
Gold Country Broadband Consortium
representing the California Counties of
Sierra, Nevada, Placer, El Dorado and eastern Alpine

A Proposal to the California Public Utility Commission's
CASF Rural and Urban Regional Broadband Consortia Program
by the
Sierra Economic Development Corporation (SEDCorp)

August 19, 2011

I. Executive Summary

1. Consortium Overview

The membership of the Gold Country Broadband Consortium includes representation from key stakeholders in each of the Consortium counties with a vested interest in the expanded availability and adoption of broadband services. The key stakeholders fall into general categories including consumers (both residential and business), local government (both city and county), Native-American communities, libraries, education, health care, workforce development and economic development entities, accessibility advocates and Internet Service Providers (ISPs). The Sierra Economic Development Corporation (SEDCorp) serves the Consortium as manager and fiscal agent. The members of the Consortium serve as a committee-of-the-whole for approval of program content, participation in community meetings, infrastructure project proposal reviews and general direction of the Consortium project. Members of each stakeholder category also work as subject matter committee members for development of content to be conveyed and discussed at community meetings. ISPs serving the region are welcome members of the Consortium in a non-voting status and will also participate in community meetings to describe current service availability. All Consortium members are welcome and encouraged to provide information to local media about the progress of the project, service availability, future services to be made availability and other pertinent information.

2. Project Overview

The Gold Country Consortium project will take a **proven market-driven approach** to promote both rapid infrastructure expansion and high service adoption rates as new services become available. The project is designed to achieve success by “priming the pump” and “moving the bright line.” “Priming the pump” is about development and implementation of infrastructure project proposals through (1) the development of current substantive content on benefits available via broadband connections, (2) the conduct of dozens of community meetings throughout the region and using those community meetings to make informed consumers of the residents and business owners in those communities, (3) capturing the commitment of the community members for adoption of broadband services in order to make the business case for attracting investment in infrastructure expansion projects, (4) working with ISPs to advise the design those infrastructure projects, (5) organizing the communities and Consortia members in support of the infrastructure projects, and (6) assisting in securing the capital support for the infrastructure projects. The “bright line” is the boundary between unserved and adequately served areas; “moving the bright line” is about expanding the areas that are adequately served by (7) facilitating the committed adoption of broadband services as they become available community-by-community, and (8) sustaining this process until broadband service is available to and adopted by all of the residents and businesses in the region. Instead of taking an open-ended “if you build it, they [might] come” approach, the project is designed to garner bankable adoption commitments that will make the business case for infrastructure project investments.

The Consortium members are active participants throughout the project, continuing to invest their time and efforts until the goal of universal availability and adoption is met.

3. Expected Project Outcomes/Deliverables

- a. The coalition of subject matter stakeholders working together across a multi-county region to raise the overall quality of services available via broadband;
- b. Stakeholder organizations informed and improved by interaction with their peers and community feedback;
- c. Improved local policies and procedures that facilitate the expansion of broadband infrastructure;
- d. Motivated and community-supported ISPs aggressively working to bring broadband service to unserved and underserved areas;
- e. Clear identification and tracking of the expanding “bright line” defining the boundary between served and unserved areas;
- f. Development of investment-quality infrastructure expansion plans; and
- g. Continuing support to and advocacy for communities until broadband service has been delivered and adopted by every household and business.

4. Key Points Summary

Success of the project rests on five key points. First, it takes a market-driven approach, “proving” an informed, committed customer base to substantiate ISP revenue projections used to attract infrastructure expansion project investments. Second, it is sustained through on-going community and other public meetings that keep the residents, business owners, public officials and others informed about the progress towards universal broadband service availability and adoption. Third, it provides a forum for advancing the state of the art in stakeholder services available via the Internet by supporting the ongoing collaboration of those stakeholders. Fourth, it provides direct support to ISPs to help them develop investment-quality project proposals and enjoy community-based support for funding those proposals. Fifth, it is driven by a Consortium membership with broad vested interests that will assure their continued participation through to the accomplishment of the overarching goal of universal service availability and adoption.

5. Proposed Budget

The project anticipates approximately \$228,600 per year in cash and in-kind revenues and expenses and the leveraging of up to an additional \$1 million per year in SEDCorp-controlled business loan funds to finance infrastructure expansion projects.

II. Vision Statement

The Gold Country Broadband Consortium envisions a future in which broadband Internet service is available, affordable and accessible to every resident and business in the counties of Sierra, Nevada, Placer, El Dorado and eastern Alpine, and the services available via the ubiquitous broadband networks represent the full spectrum of services available anywhere in the State. In pursuing the realization of this vision, the Consortium's mission is to achieve the universal acceptance of and demand for broadband service as an essential utility to be made available in every home and business in the five counties served by the project. A priority throughout the project will be sustained community leadership engagement and maintenance of community commitment.

III. Background

1. Geographical Area and Population

Gold Country Broadband Consortia covers a five-county area of the some five thousand seven hundred sixty five (5,765) square miles. The area can be characterized as consisting of three geographic sub-areas: the Sacramento Valley sub-area that includes the southwestern part of Placer County (primarily its cities of Roseville, Rocklin and Lincoln) and the western-most part of El Dorado County along the Highway 50 corridor (primarily the communities of El Dorado Hills); the western-slope sub-area that includes the foothill portions of the counties of El Dorado, Placer, Nevada and Sierra west of the crest of the Sierra Nevada mountains; and the eastern-slope sub-area that includes that part of the counties of Sierra, Nevada, Placer, El Dorado and Alpine that are east of the crest of the Sierra Nevada mountains including the Lake Tahoe Basin. See [Appendix A](#) for a project area map.

The area is served by two major transportation corridors along the routes of Highway 50 in El Dorado County and the Interstate 80 corridor that transits northeast and east through the counties of Placer and Nevada toward Reno. Highway 50 has two lanes for most of its length through El Dorado County; essentially all of the other roads and highways in the area have two lanes; some roads in the more rural areas are unpaved. More than half the area is heavily forested with vast parts of the forests being held by the State or Federal government. Higher elevations experience a heavy annual snow pack that can impede access in the winter to peaks with critical communication towers. Large parts of the area are unserved by any utilities.

The project area's population is a little more than six hundred and thirty two thousand. Approximately a third of that population lives in the western Placer County cities of Roseville, Rocklin and Lincoln, just northeast of Sacramento, and in the western-most communities of El Dorado County, collectively referred to as the Sacramento Valley sub-area. The combined population of the remaining nine incorporated cities, a second sub-area, is nearly another one hundred thousand, leaving approximately three hundred thousand people spread over the unincorporated area, the third sub-area, at an average density of fifty-to-seventy-five people per

square mile. It is estimated that on the order of twenty-six thousand businesses serve the entire project area.

The combination of geography and population distribution described above presents a severe challenge to the goal of extending broadband Internet access throughout the area. The Sacramento Valley sub-area is generally well served with multiple sources for broadband Internet access. Though some broadband service is available in the remaining nine incorporated cities and nearby unincorporated parts of the other two sub-areas, it is estimated that approximately half of the project area's population does not have broadband Internet access available; available dial-up Internet access is unreliable and inadequate to the needs of a twenty-first century economy.

Beyond the need to overcome daunting physical barriers, there are additional factors that complicate the extension of broadband service. Much of the area's population is increasingly older than the State's population as a whole. Although the area's population is predominantly white/non-Hispanic, there is a growing Latino population, and there is a small part of the population that is Native American. Recent studies have suggested that the adoption rate for computer ownership and Internet usage among older, Hispanic or Native American populations tends to lag that of younger, non-Hispanic and non-Native American populations. Additionally, many communities have lower average household incomes, higher poverty rates, higher unemployment rates and lower educational attainment levels that are also generally associated with lower computer ownership and Internet usage rates.

2. Consortium History

The Gold Country Broadband Consortium project capitalizes on the success and lessons learned from the Gold Country Demand Aggregation project sponsored by the California Emerging Technology Fund (CETF) in 2008/9. That project encompassed the same geographic area and was served by a volunteer oversight and coordination committee whose members included many of those who are now a part of the Consortium. The Demand Aggregation project had two significant outcomes. First, it met its goals for quantifying the unmet demand for broadband services across the region, capturing "best practices" for local legislation to support broadband infrastructure expansion and working with ISPs to use the aggregated demand information for infrastructure expansion planning. Second, notably significant, SEDCorp was able to go beyond the requirements of the demand aggregation project and, using its small business lending capability, provided financing to two ISPs to capitalize the equipment needed to expand their networks and provide service to some two thousand previously unserved customers in Sierra County and El Dorado County. The Gold Country Demand Aggregation project is complete, has no residual funding available and does not represent an overlap or duplication of any kind with the proposed Gold Country Broadband Consortium project.

However, the Gold Country Broadband Consortium expands on the strong foundation created during the conduct of the Demand Aggregation process. It expands from a project leadership “core” group of two representatives per county to representatives of as many as ten categories of interest/service per county. Those categories include representation of the county and incorporated city elected leadership and their primary staff related to other member categories, the health care community, the K-16 educational community, representation of the four Native American tribes in the region, workforce development and economic development entities, accessibility advocates, non-ISP businesses and residential consumers. ISPs will be welcome to participate in Consortium meetings in a non-voting status, acknowledging that some consortium activities such as consideration of infrastructure expansion proposals will necessarily exclude participation by ISPs (see also Section IV.2, Roles and Responsibilities).

3. Project Inception

The roots of the current project are bedded in the history of utility service expansion and nurtured in the relatively recent explosive expansion of Internet services. Just as the expansion of commerce and housing has been tied to the availability of robust transportation, water, power and other utility systems, so will future progress be tied to the utility-like availability of high-speed Internet service. The recent Demand Aggregation project not only served to quantify the demand for broadband Internet service but, to a great degree, contributed to an increase of that demand. As the public was informed through a modest number of community meetings about the benefits of high-speed Internet access, the public response was, predictably, an increased clamor for the extension of infrastructure networks to bring those benefits to their homes and businesses. The topic has been reinforced as discussion has continued in public forums including the meetings of county Boards of Supervisors, City Councils, school district Boards of Directors, meetings of Chambers of Commerce, the Board meetings of both SEDCorp and the Golden Sierra Workforce Investment Board, county and regional economic summits and others. As a direct consequence, there is a strong base of support for expanding infrastructure, adoption of Internet services available via that expanded infrastructure, and increasing the availability of services from the categories represented on the Consortium. Correspondingly, the leaders of the unserved/underserved communities and the other members of the Consortium have agreed to pursue this project together to ensure that the residents and business owners in the Consortium counties are not left behind as the rest of California and the world continue to conduct more and more commerce and other information exchange via high-speed Internet networks.

4. Project Importance

The importance of this project is inherent in its timing; an overwhelming need for expanded broadband service availability and adoption already exists. All of the counties in the Gold Country Broadband Consortium are suffering from high unemployment rates, diminished public services and the need for expanded opportunities. The Demand Aggregation project determined that less than forty percent (40%) of the region’s more than one-hundred-ninety thousand

households and only sixty-five percent (65%) of the region's more nearly thirteen thousand site-based businesses have broadband service available. Fortunately, this Consortium project takes advantage of the cohesion born of common goals and shared frustration with the status quo in order to advance expeditiously towards positive change. It takes a well-proven market approach to systematically building the business cases that ISPs need to attract investment in their projects and to providing the direct feedback needed by public officials, health care providers, library service providers, educators, workforce and economic developers and others to support the prioritization of improvements to their services. The residents and businesses in the Consortium region cannot afford to wait for solutions that may take years to come or may never come at all as parts of the region continue to be bypassed by the traditional business models of the large telecommunications carriers. The broad spectrum of participation in the Consortium is *prima fascia* evidence of its importance. This Consortium project is needed immediately; it is of the highest priority.

IV. Organizational Structure

The Consortium includes membership representing a number of subject matter interest categories from each of the Gold Country Consortium counties as illustrated in the matrix at **Appendix B**. **Appendix C** provides a list of the Consortium membership and associated information for each.

1. Authority

The Consortium members, acting as a committee-of-the-whole, serve as the governing body of the Consortium. Through their interaction during regularly scheduled and noticed meetings, they provide guidance for the project and direction to the Consortium Manager.

2. Roles and Responsibilities

Consortium members are responsible for development of the content matter to be conveyed during community meetings, discussion and action regarding feedback gained from those meetings, consideration of infrastructure project proposals, provision of budget and expenditures oversight for the project, and input to and approval of reporting on the progress of the project. ISPs serving the region are welcome members of the Consortium in a non-voting status and, necessarily, will be excluded from review of infrastructure project proposals in order to maintain confidentiality with project proponents. Additional subject matter experts such as those involved with smart grid initiatives will be invited to participate in the Consortium as the opportunities are identified. Each group of county representatives will designate a "core team" member from among their ranks to serve as a primary conduit for communication about ongoing Consortium activities and coordination of community meetings within the respective county. The county representatives will keep their member organizations fully informed of project progress, facilitate community meeting scheduling and promotion, participate in community meetings to advocate and be accountable for Internet services in each respective stakeholder category of service, and follow-up to questions/comments/requests expressed by the consumers regarding each respective

stakeholder category of service. The Consortium members will select representatives from within their ranks to attend annual Regional Consortia Learning Community Summits.

Members of the Consortium in a given subject matter category from each county are also members of the respective subject matter committee of the Consortium, e.g., health care stakeholders from each county are members of the health care committee of the Consortium. The health care committee members' responsibilities include examination of the state-of-the-art for broadband healthcare services, development of the message to be conveyed to the communities about that potential range of services, development of the message to be conveyed in each specific community about the broadband services available to that community from the local stakeholder organizations, reporting on efforts to expand local capabilities towards the state-of-the-art, response to questions or concerns expressed by community members and feedback to their own organizations about the progress of the Consortium project and the expressed views of the community members. Each of the other category committees would function in a similar manner. The idea is for the subject matter committees to ensure a consistent and comprehensive message throughout the region, to provide location-specific information about locally-available services in any given community, and to learn from and respond to the community members' needs and concerns as they are expressed at the community meetings. The Consortium will meet quarterly; the committees will meet as needed, more frequently initially.

The Consortium Manager is responsible for the day-to-day management of the Consortium project including detail planning for and providing support to Consortium members for the conduct of meetings and related Consortium business; facilitation of electronic communications; coordination, facilitation and participation in community meetings, providing summary reports of community meetings, assistance to ISPs as needed for the preparation and submittal of comprehensive infrastructure development proposals, tracking of infrastructure expansion and service "bright line" movement, fiscal management and reporting to the CPUC per the terms of the Consortium grant agreement. The Manager will coordinate community meetings with the respective county Consortium members with the assistance of the respective county's "core team" representative using a "telephone/email tree" approach to shorten timelines and increase efficiency. The manager may engage contracted consultants as needed for technical assistance.

3. Communications

The primary means of communication with and between the Consortium members is electronic, using Google tools to facilitate coordination of documents and activities within category committees and the Consortium, and the use of web pages, social media and e-mails for group and individual communication. Periodic face-to-face interaction is important and accommodated with quarterly Consortium meetings. All Consortium members are welcome and encouraged to provide information to local media about the progress of the project, community meetings, service availability, future services to be made available, etc., subject to the requirement to maintain confidentiality for infrastructure expansion project proposals.

The Gold Country Consortium project is closely allied with the respective projects in the greater Sacramento area and counties to the north and west. The Gold Country Consortium Manager is also a member of both the Connected Capital Consortium and the CENIC-Upstate California Connect Consortium, and each of those Consortia are members of the Gold Country Consortium in a liaison and advisory role. Each of our three Consortia are dedicated to working together to ensure a cohesive and seamless infrastructure.

V. Activities

At the core of the Gold Country Broadband Consortium project is its focus on the availability and adoption of broadband services at the community level. The project is designed to achieve success by “priming the pump” and “moving the bright line.” “Priming the pump” is about development and implementation of infrastructure project proposals through (1) the development of current substantive content on benefits available via broadband connections, (2) the conduct of dozens of community meetings throughout the region and using those community meetings to make informed consumers of the residents and business owners in those communities, (3) capturing the commitment of the community members for adoption of broadband services in order to make the business case for attracting investment in infrastructure expansion projects, (4) working with ISPs to design those infrastructure projects, (5) organizing the communities and Consortia members in support of the infrastructure projects, (6) assisting in securing the capital support for the infrastructure projects. The “bright line” is the boundary between unserved and adequately served areas; “moving the bright line” is about expanding the areas that are adequately served by (7) facilitating the committed adoption of broadband services as they become available community-by-community, and (8) sustaining this process until broadband service is available to and adopted by all of the residents and businesses in the region. This process is illustrated at **Appendix D** and described in greater detail below.

1. Developing current, substantive content

Making the business case for infrastructure project investments starts with a consumer base that, because they are well informed, is willing to express a bankable commitment to broadband service adoption. The stakeholders in each of the important service benefit areas – health care, public services, education, libraries, etc. – are the key to that informed consumer base.

Gathering together the subject matter experts from across the region as committees of the Consortium affords the opportunity for sharing of knowledge, comparing of positions, definition of the state of the art, and development of a consistent and substantive message needed to educate the community residents and business owners. That initial collective process will also afford the opportunity for individual stakeholder representatives to compare the services available through their own organization to those available through their counterparts. Such comparisons will lead to initiatives to add or improve stakeholder services in order to “keep up with the market.” Maintaining the currency and substance of the message will also be a function of responding to the consumers’ feedback during community meetings. As they express a

priority for a given beneficial service, the stakeholder representatives will use that information to influence their internal planning. The development and review of substantive subject matter content will be ongoing throughout the term of the project.

2. Community meetings lead to informed consumers – and others

Though the Consortium meetings will be widely publicized and members of the public will be welcome to attend, the primary means by which to communicate with the public will be at the many community meetings held across the region. Those meetings will focus on broadband access and adoption and will be used to define infrastructure needs and areas of accountability. Community participation in the meetings will afford an excellent opportunity to identify and track the expansion of the “bright line” delineating the limits of broadband service availability. The Consortium members will help with their scheduling and administrative details, as needed, and participate to provide the latest information in each of the stakeholders’ service areas. As described above, the stakeholder representatives will be on-hand to answer directly the questions related to their respective service area and learn from the consumers’ feedback. Later meetings in the same communities will provide feedback to the consumers in response to their expressed desires and concerns. Other opportunities will be taken to inform the consumers that are unable to attend a local meeting. Presentations will be made at such forums as County Boards of Supervisors meetings, city council meetings, school board meetings, library board meetings and others, as possible. The ISPs serving or desiring to serve a community will be invited to participate in the respective community meeting. This approach was used very effectively during the Demand Aggregation project. It afforded the community members the opportunity to ask questions directly to the technical experts, and afforded the ISPs the opportunity to market their services and respond to community demand. The process inevitably increased the ISP’s credibility with the consumers.

3. Capturing community commitment

Investment decisions are not made on uncertain possibilities; they are based on reasoned projections of solid representative data. The best data an investor can get is an actual financial commitment on the part of the consumer representing their unflagging intent to adopt service as soon as it is available and, therefore, contribute to the revenues that will be used to repay investors. The Consortium members will consider a proposal to have the project Manager escrow good-faith, refundable deposits as a pledge of consumers’ intent to adopt broadband service as it is made available. Doing so goes beyond just signatures on a petition and represents the kind of substantiation upon which investment decisions can be made. As corresponding infrastructure projects are completed, the escrowed funds will either be returned to the consumers for their use in paying for desired services or, at the direction of the consumer, transferred to the ISP as a credit for services to be delivered.

4. Helping ISPs develop infrastructure projects

The feedback from the consumers during the community meetings and, especially, the demonstration of consumers' commitment to infrastructure expansion projects will help the ISPs to develop realistic network expansion strategies, the first step towards developing the detailed plans for specific infrastructure expansion projects. As those project plans begin to take shape, the Project Manager and other Consortium members will be available to assist the ISP in reaching efficient and cost-effective designs. The Project Manager will call on its experience in assisting a number of ISPs with their infrastructure grant applications to both the CPUC for CASF funds and the federal government for American Recovery and Reinvestment Act (ARRA) funds. Early attention will be devoted to earlier funded and unfunded CASF and ARRA applications to determine their status and need for update/modification or additional assistance.

The Consortium will also assist at least one pilot project to demonstrate the viability and return on investment from the development of a fiberoptic cable middle-mile and, potentially, last-mile system in a remote rural community. Such a project would raise the potential level of service delivery to as much as 100MB/sec and represent a major selling point for the proliferation of fiberoptic networks in rural areas.

5. Organizing support for infrastructure projects

The community members and stakeholders have vested interests in the increased availability of broadband service that extends from the initial expression of demand through delivery of service. Those interests include participation in the process of evaluating, prioritizing and supporting infrastructure project proposals to serve their needs. As the community members and stakeholders "get behind" an infrastructure project, it is appropriate that their position be conveyed to potential funders and others. The process of consolidating that support will be facilitated through the Consortium and conveyed to lenders and other potential investors.

6. Helping secure capital for infrastructure projects

The Gold Country Consortium benefits from having a Project Manager that is also an experienced business lender. SEDCorp will call on its experience as a business lender, having underwritten hundreds of loan applications and having made six loans to ISPs to capitalize infrastructure expansion projects, to assist the ISPs in getting their project proposals "investment ready." Such a high level of engagement with the ISPs may afford the opportunity to leverage SEDCorp's own financial resources for making additional infrastructure loans. It may also take advantage of SEDCorp's partnerships with other lenders and equity investors as potential supplements or alternatives to either the CASF Infrastructure Grant Program or the CASF Infrastructure Loan Program. SEDCorp anticipates the potential for leveraging up to \$1 million per year in loan funds it controls.

7. Facilitating committed adoption of broadband services

All parties to this Consortium project recognize that the job is not done until service is actually delivered and adopted. Correspondingly, the Consortium members and Project Manager will remain engaged with each community's needs and each proposed infrastructure project until the two are matched at the completion of each project. Visibility will be maintained through project status reporting at each Consortium meeting, through periodic meetings with the ISPs, community members, stakeholders and other interested parties and through updates provided to the media.

8. Sustaining this process

The regional need is great and diverse. Even the process of completing the first round of meetings across all of the region's communities will take most of the project's first year. The follow-up meetings for each of those communities and corresponding meetings with ISPs, stakeholders, public officials and others will continue for all of the project's second and third years as plans are developed, funding is sought and secured, construction is begun and completed and newly available service is adopted. As the project proceeds, the predictable "learning curve" will result in greater efficiencies and comfort levels for the participants. Success in seeing community demand turned in to funded infrastructure projects and expanding availability of broadband service will fuel continued support for and participation in the project. Tracking the expanding "bright line" as infrastructure projects are completed and service is adopted will be visible to all and strong motivation to accomplish the ultimate goal of universal broadband availability and adoption. "Bright line" information updates will also be routinely provided to support the CPUC's broadband mapping efforts.

The Work Plans for each of the three years of this project appear at [Appendix E](#).

VI. Investment Strategy

The Consortium's strategy for maximizing investment in the region's broadband infrastructure expansion and adoption of services when available is founded on the following four principals.

1. Executing a powerful, logical, market-based plan. The sustained communication, collaboration and public participation will assure the continued investment of public and private individuals' time and energy to needed to see the project through to accomplishing its goal.
2. Providing the timely and substantive education needed to have informed consumers make financial commitments to adopt broadband service as the infrastructure becomes available. Those commitments will make the business cases needed for ISPs to develop the detailed designs and attract the capital investment needed to build the projects.
3. Designing well-supported and financially sound projects. Developing "investment quality" project plans will accelerate the attraction of the capital support needed to implement the projects.

4. Facilitating the completion of projects that deliver the intended level of service. Sustainment of the project means continuing to inform the public about progress and assisting the ISPs as needed to secure the adoptions to which the consumers committed, while ensuring that the service delivered meets those consumers' expectations.

The ultimate goal of this investment strategy is the removal of obstacles to increased deployment and adoption of broadband systems.

VII. Broadband Deployment, Access and Adoption

1. Deployment and Adoption

As described above, the fourth principal of the project's investment strategy is based on ISPs delivering the systems as promised and consumers adopting the services as the infrastructure expands to make them available. The Consortium intends to remain engaged from inception to delivery, from the time an opportunity for infrastructure expansion is identified to when service is adopted by the last consumer to be served by a newly expanded network. The project's continual flow of timely and accurate information will help to inform consumer expectations and serve as an impetus to ISPs to maintain their project schedules.

2. Accessibility considerations

Broadband service accessibility can be considered from two perspectives, both of which will be served by the Gold Country Consortium project. First, accessibility refers to services delivered via broadband connections and the broadband connections themselves. The connections and services must meet the needs of those with physical impairments so that they, too, can take advantage of the broad spectrum of evolving Internet services. Both the service providers and the ISPs must make provision for selectable large-font presentations, increased volume, sign language presentations and other accommodations as needed by the sight and hearing impaired. Second, accessibility refers to the availability of broadband connections in both public and private places to accommodate the needs of those without broadband service in their home or business. Computer centers with broadband connections in libraries and schools, especially when made available to the general public, are a part of insuring accessibility. Public or private free wi-fi hot spots may also be a part of a comprehensive broadband accessibility plan. Such sites must also accommodate the needs of the mobility impaired. The Consortium members, including accessibility advocates, will ensure that accessibility considerations are included in the development and implementation of each infrastructure development plan and in the plans for enhanced services to be made available by local stakeholders via that infrastructure.

VIII. Budget and Expenditures

The project anticipates an annual budget of approximately \$228,600 for each of the three years of this proposal including \$160,000 in CPUC grants for operations and attendance of the annual

Consortia Summit, \$63,600 of in-kind contribution, and \$5,000 in corporate donations. The project is expected to leverage on the order of \$1 million per year from the SEDCorp business loan program to assist infrastructure expansion projects. A detailed breakout of the project budget, its assumptions and justifications appears at **Appendix F**.

IX. Next Steps

The Gold Country Broadband Consortium is assembled and prepared to develop in detail and execute its market-based plan. We anticipate holding the next Consortium meeting within one month of approval of this application. That meeting will begin the process of developing the messages regarding each stakeholder's subject matter to be delivered at the earliest community meetings and the detailed planning for the scheduling and conduct of those meetings.

X. Appendices

- A. Project Area Map
- B. Consortium Organizational Matrix
- C. Consortium Member Information (including Project Manager)
- D. Project Activities Illustration
- E. Years 1-3 Work Plans
- F. Detailed Budget (including substantiation and assumptions)
- G. Census Blocks List & Maps, by County

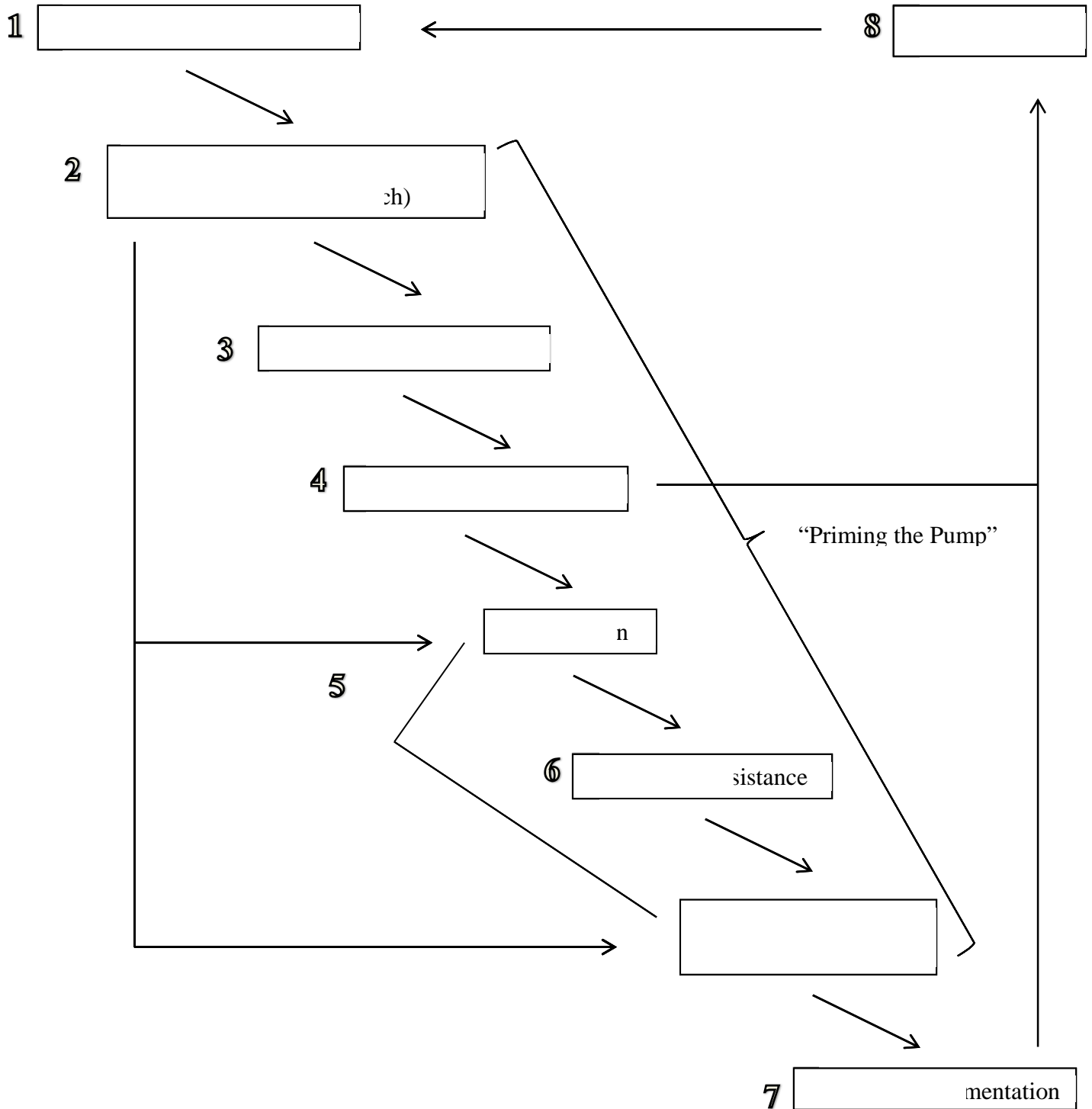
Appendix A Project Area Map

Appendix B Consortium Organizational Matrix

| Gold Country Broadband Consortium Stakeholders | | | | | |
|---|---|--|--|---|--|
| Category | Sierra | Nevada | Placer | El Dorado | Alpine |
| County Government | BOS | BOS | BOS | BOS | BOS |
| City /Town | Loyalton (Sierra Valley) (Goodyears Bar) | Grass Valley Nevada City Truckee | Colfax Auburn Lincoln Loomis Rocklin | SLT Placerville El Dorado County | (Markleeville) |
| Tribal | Washoe Tsi-Akim Maidu Greenville Rancheria Maidu | Nevada City Rancheria (Niseman) | (Niseman, Maidu, and Miwok) United Auburn Indian Community | Washoe Tribe of NC&CA (Shingle Springs) Band of Miwok (Red Hawk Casino) | Southern Washoe Washoe (Hung A LeI Ti) (Woodfords Colony?) |
| Education | Sierra County Office of Education Sierra Plumas Joint Unified School District | Nevada County Office of Education | Placer County Office of Education Auburn Union School District | El Dorado County Office of Education | Alpine County Office of Education |
| Libraries | Plumas Station Library | Nevada County Library | Placer County Library | El Dorado County Library | Markleeville Library |
| Special Districts | Sierra Lakes County Water District Sierra County Fire Safe Council | Nevada Irrigation District (NID) Higgins Area Fire Protection District North San Juan Fire Protection District | Placer County Fire Safe Alliance | El Dorado County Water Agency, El Dorado County Local Disaster Council, | Bear Valley Water District |
| Health Care | Eastern Plumas Hospital - Loyalton Campus | Nevada County Health and Human Services Agency | Sutter Auburn Faith Hospital | Marshall Hospital Sutter Amador Hospital | Alpine County Health and Human Services |
| Accessibility Advocates | FREED - Independent Living Resource Center | FREED - Independent Living Resource Center | FREED - Independent Living Resource Center | Placer Independent Resource Services (PIRS) | Placer Independent Resource Services (PIRS) |
| Economic Development Workforce Development | SEDCorp Northern Rural Training Employment Consortium (NoRTEC) Alliance For Workforce Development | SEDCORP, Nevada County Economic Resource Council, Northern Rural Training Employment Consortium (NoRTEC) Nevada County Job Training Center | SEDCorp, NE-SBDC, Golden Sierra Workforce Investment Board, Workforce Investment Board, Placer County Office of Economic Development | SEDCorp Golden Sierra Workforce Investment Board Tahoe Prosperity Center Economic Development Advisory Committee | SEDCorp Golden Sierra Workforce Investment Board |
| Parks & Recreation Tourism | East Sierra Valley COC | South Nevada County COC Grass Valley/Nevada County COC | Auburn Area Recreation and Parks District Placer County Visitors Bureau | Lake Tahoe South Shore COC El Dorado County COC | |
| Agriculture | High Sierra Resource Conservation and Development Council | High Sierra Resource Conservation and Development Council | High Sierra Resource Conservation and Development Council | Apple Hill Growers | Alpine County Ag Commissioner |
| Other | | | InsightWorks | | |

Appendix C Consortium Member Information (including Project Manager)

Gold Country Broadband Consortium Project Activities



(numbers refer to activity descriptions,

"Moving the bright line"

| Appendix E Years 1-3 Work Plans | | | | | | | | | | | | | | |
|--|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|---|--|
| Gold Country Broadband Consortium Work Plan Years 1-3 | | | | | | | | | | | | | | |
| Activities | Y1 Q1 | Y1 Q2 | Y1 Q3 | Y1 Q4 | Y2 Q1 | Y2 Q2 | Y2 Q3 | Y2 Q4 | Y3 Q1 | Y3 Q2 | Y3 Q3 | Y3 Q4 | Performance Measures | |
| Convene Consortium meetings | X | X | X | X | X | X | X | X | X | X | X | X | Minimum of 80% of members attending; review category messages and investment criteria <i>at least</i> annually | |
| Convene service category committees; develop message on state-of-the-art and planned improvements; prepare for participation in community meetings | X | | | | X | | | | X | | | | | |
| Convene ISPs to define criteria for making business investment cases | X | | | | X | | | | X | | | | | |
| Inventory approved and rejected CASF and ARRA project applications | X | | | | | | | | | | | | Current status for each project from region; communicate to respective communities; examine for project support potential | |
| Research and compile information on regional infrastructure development plans of CENIC, California Telehealth Network and others, as available | X | | | | | | | | | | | | Current status for each proponent; integrate with regional project planning | |
| Begin planning and scheduling of initial round of community meetings | X | X | | | | | | | | | | | Schedule remainder of first year's thirty community meetings | |
| Develop community meeting marketing plan with media category committee | X | X | | | | | | | | | | | Full-spectrum approach designed to maximize participation | |
| Create and update project web pages | X | X | X | X | X | X | X | X | X | X | X | X | Updated at least quarterly | |
| Conduct community meetings and organizational presentations | | | X | X | X | X | X | X | X | X | X | X | 15 per quarter | |
| Publish and update service category state-of-the-art summaries | | X | X | X | X | X | X | X | X | X | X | X | Updated at least quarterly | |
| Develop process to evaluate and prioritize infrastructure project proposals | | | X | | X | | | | X | | | | Consistent and objective criteria; review annually | |
| Develop and implement project mapping methodology | X | X | | | | | | | | | | | Balance ease of use with consistency and compatibility with CPUC data | |
| Update project "bright line" maps | | | X | X | X | X | X | X | X | X | X | X | Updated continuously based on community and infrastructure project feedback | |
| Provide "bright line" mapping updates to CPUC | | | X | X | X | X | X | X | X | X | X | X | Feedback from community meetings at least quarterly | |
| Use "bright line" expansion to guide future community meetings | | | | | X | X | X | X | X | X | X | X | Priority given to best-business-case unserved areas | |
| Assist ISPs with project development and funding applications | | | | X | X | X | X | X | X | X | X | X | As identified; no limitation | |
| Conduct Consortium evaluations of project proposals | | | | X | X | X | X | X | X | X | X | X | ICW quarterly meetings, as required | |
| Organize Consortium member support for prioritized projects | | | | X | X | X | X | X | X | X | X | X | Including community to be served, county and other Consortium members | |

| | | | | | | | | | | | | | | |
|--|---|---|---|---|---|---|---|---|---|---|---|---|---|--|
| Assess opportunities for pilot projects | | | X | X | X | X | X | X | X | X | X | X | X | As identified; no limitation; priority to fiberoptic proposals |
| Develop and support pilot projects | | | X | X | X | X | X | X | X | X | X | X | X | Goal: at least one within the three years of the project |
| Inventory infrastructure project policies and procedures in all regional jurisdictions | X | X | | | | | | | | | | | | Copies of each jurisdiction's documents within first 6 months |
| Support adoption of best-practices policies and procedures in each jurisdiction | | | X | X | | | | | | | | | | Universal regional adoption within first year |
| Provide project management support throughout project | X | X | X | X | X | X | X | X | X | X | X | X | X | Per direction of Consortium members and terms of CPUC agreement |
| Quarterly reporting to CPUC | X | X | X | X | X | X | X | X | X | X | X | X | X | Per direction of Consortium members and terms of CPUC agreement |
| Participate in the CPUC hosted "Regional Consortia Learning Community Summit" to share and learn broadband-related best practices. | | | | X | | | | X | | | | | X | As scheduled by CPUC; 5 Consortium representatives; Consortium project reporting |

Appendix F Budget

The chart below provides a summary of the estimated revenues and expenses for the Gold Country Broadband Consortium project for its first three operating years.

1. Revenues

The revenues appropriately account for the broad sources of cash and in-kind funding of the project. They recognize that the participation of the Consortium members and other volunteers has value. For estimation purposes, it was assumed that, on average, sixty Consortium members would contribute at least three hours per month and an additional three hours per quarter for travel to and participation in Consortium, community and other meetings at a federally-allowed rate of \$20/hour. Relatively small donations from a variety of corporate sponsors to support community and other meetings were assumed to total approximately \$5,000 per year. The budget anticipates an in-kind contribution of administrative space and associated overhead from the Project Manager valued at \$500 per month, and the leveraging of up to \$1 million in SEDCorp-controlled business loan funds to support infrastructure expansion projects. The Consortium anticipates sending five members to each year's Regional Consortia Learning Community Summit and the corresponding receipt of supplemental funding of \$2,000/delegate as provided for in the program implementing decision.

2. Expenditures

The corresponding expenditures for Consortium member participation, meeting support, participation in the Annual Learning Summits, management office overhead and leveraged loans are reflected in the expenses summary. The cost of underwriting and servicing such loans will be covered by SEDCorp completely exclusive of the Consortium project. Travel expense was estimated on the assumption of sixty-five trips per year at an average cost of \$130/trip. Educational supplies and printing were assumed to be higher in the first project year because of first-time exposure to most of the materials, with a declining need for new materials in each successive year. Provisions is made for the hiring of technical consultants, as needed, for up to \$6,000 per year.

Gold Country Broadband Consortium Budget

| | Year 1 | Year 2 | Year 3 |
|--|--------------------|--------------------|--------------------|
| Revenues | | | |
| CPUC Consortia Program grant | \$150,000 | \$150,000 | \$150,000 |
| Consortium members (in-kind) | \$57,600 | \$57,600 | \$57,600 |
| Corporate funding (est.) | \$5,000 | \$5,000 | \$5,000 |
| SEDCorp loan program assets (antic.) | \$1,000,000 | \$1,000,000 | \$1,000,000 |
| CPUC Annual Summit grant | \$10,000 | \$10,000 | \$10,000 |
| Project Management office/overhead (in-kind) | \$6,000 | \$6,000 | \$6,000 |
| | \$1,228,600 | \$1,228,600 | \$1,228,600 |
| Expenses | | | |
| Consortia member participation | \$57,600 | \$57,600 | \$57,600 |
| Personnel | \$131,500 | \$132,500 | \$133,500 |
| Travel | \$8,500 | \$8,500 | \$8,500 |
| Educational supplies/printing | \$4,000 | \$3,000 | \$2,000 |
| Community and Consortium meetings | \$5,000 | \$5,000 | \$5,000 |
| Annual Summit | \$10,000 | \$10,000 | \$10,000 |
| Infrastructure Project Loans | \$1,000,000 | \$1,000,000 | \$1,000,000 |
| Technical consultants | \$6,000 | \$6,000 | \$6,000 |
| Project Management office/overhead | \$6,000 | \$6,000 | \$6,000 |
| | \$1,228,600 | \$1,228,600 | \$1,228,600 |

Appendix G Census Blocks List & Maps, by County