



Legislation Text

File #: 23-1486, **Version:** 1

Planning and Building Department, Economic Development Division, recommending the Board:

- 1) Receive and file a presentation from the County's broadband Consultant, NEO Connect, focusing on past, current, and upcoming broadband planning efforts, a California Public Utilities Commission Federal Funding Account grant program for last-mile broadband infrastructure projects, and information related to securing Public Private Partnerships with Internet Service Providers;
- 2) Direct staff to pursue the California Public Utilities Commission Federal Funding Account grant program for last-mile broadband infrastructure projects and approve the use of American Rescue Plan Act funds for the purpose of grant fund matching, if deemed necessary; and
- 3) Delegate authority to the Planning and Building Department Director, or designee, to execute the California Public Utilities Commission Federal Funding Account grant, if applicable, and any grant-related documents necessary to secure grant funds and implement the approved grant including, but not limited to, requests for payment, reports, and amendments that do not require a County match, contingent upon approval by County Counsel and Risk Management,.

FUNDING: California Public Utilities Commission Federal Funding and/or American Rescue Plan Act funds.

DISCUSSION / BACKGROUND

On September 1, 2015 (File No. 15-1020, Item No. 27), following a presentation on the state of broadband infrastructure in the County, the Board established a Broadband Technical Advisory Committee to work on broadband issues and appointed two (2) Board members to serve on that committee.

On January 12, 2016 (File No. 16-0006, V1, Item No. 5), the Board adopted Resolution 013-2016, which approved the submittal of an application for an Economic Development Administration (EDA) Planning Program and Local Technical Assistance Program grant to complete a broadband feasibility study.

On September 27, 2016 (File No. 16-0006, V2, Item No. 25), the Board authorized acceptance of a \$75,000 grant award from the EDA Planning Program and Local Technical Assistance Program to conduct a broadband feasibility study in the County and committed \$75,000 for the 50% County match required by the grant. Resolution 013-2016 states that improved broadband service fits strongly within the County's Economic Development Strategic Plan and that building broadband capacity in the County is "a way to create and retain jobs, educate and retain students, and position the County in the 21st-century economy."

On January 3, 2017, the Chief Administrative Office, Procurement and Contracts Division, issued Request for Proposals (RFP) 17-918-031 for a Broadband Needs Assessment and Feasibility Study. Following the closure of this RFP, a team consisting of one (1) Board Supervisor, two (2) County staff, and three (3) community members evaluated the RFP responses and a qualified proposer was identified. On April 25, 2017 (File No. 17-0442, Item No. 5), the Board approved the award of RFP 17

-918-031 to NEO Fiber, Inc., doing business as NEO Connect, a Colorado-based consulting firm specializing in broadband planning and analysis, authorized the Chief Administrative Officer to negotiate an agreement with NEO Connect, and authorized the Purchasing Agent to execute that agreement. On September 20, 2017, the Purchasing Agent executed Agreement 248 with NEO Connect.

On January 23, 2018 (File No. 18-0077, Item No. 37), the Board received a presentation from NEO Connect regarding a summary of their efforts, including the broadband environment and infrastructure in the County, and results of surveys and community engagement. NEO Connect's presentation also included examples of policies and ordinances that facilitate broadband deployment, such as "dig once" or "shadow conduit" policies.

On June 26, 2018 (File No. 18-0950, Item No. 59), the Board received a presentation from NEO Connect summarizing the Broadband Roadmap, the capital cost estimates for building fiber to connect the County facilities, and for building fiber to every home and business within priority areas and the densely populated areas of the County. NEO Connect summarized the various operating models and types of Public Private Partnerships with Internet Service Providers (ISPs).

On September 18, 2018 (File No. 18-1289, Item No. 23), NEO Connect provided an update to the Board that included the financial implications of various operating models of implementation. The Board directed staff and the Broadband Ad hoc Committee to pursue grant funding and to develop Public Private Partnerships with ISPs to expand fiber broadband services within the County.

On June 30, 2020 (File No. 20-0835, Item No. 37), at the request of the Broadband Ad Hoc Committee, the Board provided direction to staff to work with NEO Connect to apply for a grant from the EDA. This specific EDA grant is for services related to the design, engineering, and construction of broadband for priority areas within the County, using designated Transient Occupancy Tax (TOT) funds of \$450,000 as the 10% County match for funding of a project up to \$4.5 million.

Following the Board's direction, staff, with the assistance of NEO Connect, applied for the EDA grant to fund the Middle-Mile Fiber Optic Project, a project to install middle-mile fiber optic infrastructure within the project areas of Cool, Garden Valley, and Georgetown.

On August 24, 2021 (File No. 21-1319, Item No. 21), at the request of the Broadband Ad Hoc Committee, the Board received a presentation and report from NEO Connect regarding broadband planning efforts and potential funding available through American Rescue Plan Act (ARPA) funds. As part of this item, the Board directed the Chief Administrative Officer to continue conversations with the City of South Lake Tahoe (City) to pursue the City's portion of the matching funds or additional funding for South Lake Tahoe fiber project. The Board also directed staff to pursue the use of TOT funds for the County's required match of \$1,680,000 and approved the use of \$5,000-\$10,000 in TOT funds for a speed test campaign as well as an additional \$50,000 in TOT funds for staff to start environmental and cultural work for the South Lake Tahoe fiber project.

On November 9, 2021 (File No. 21-1680, Item No.34), the Board approved the Chief Administrative Officer's recommendation to allocate \$5,000,000 of ARPA funds towards Broadband efforts.

Following the Board's direction, staff were made aware that the State of California was putting

broadband services by building out the State's middle mile infrastructure (<https://site-cammbi.hub.arcgis.com/pages/statewide-middle-mile-network-map>) into the same middle-mile route the County intended and the collaboration with the City was canceled.

On May 23, 2022, the Purchasing Agent executed Agreement 6233 with Breaking Point Solutions, LLC for the provision of conducting an internet speed test campaign. With the assistance of Breaking Point Solutions, The El Dorado County Speed Test Campaign (Campaign) was launched across various platforms in January 2023. The Campaign is a County wide initiative for all El Dorado County residents and business owners to self-report their internet speed at home, work, or wherever they are connected to the internet. The Campaign is still ongoing, but once the data has been collected, it will be mapped in order to better identify areas of El Dorado County where homes and businesses lack high-speed internet connection.

On July 19, 2022 (File No. 22-1244, Item No. 36), the Board accepted a grant award from the EDA in the amount of \$3,782,433 in CARES Act Funds for the purpose of completing the Middle-Mile Fiber Optic Project. The Middle-Mile Fiber Optic Project proposes to install approximately thirteen (13) miles of underground fiber optic conduit along existing roadways to provide middle-mile broadband service to the underserved areas of Cool, Garden Valley, and Georgetown.

On October 25, 2022 (File No. 22-1895, Item No. 15) the Board accepted a Local Agency Technical Assistance (LATA) grant award from the California Public Utilities Commission (CPUC) in the amount of \$500,000 for development of broadband network deployment projects that benefit the unserved or underserved communities of Chrome Ridge, Coloma, Cool, Garden Valley, Georgetown (smaller sections), Pleasant Valley, Fair play, Somerset, Grizzly Flats, and Spring Creek. Due to the award of the LATA grant the amount needed of ARPA funds to build out Broadband networks was reduced to \$4,500,000

One June 30, 2023, the CPUC opened the first Federal Funding Account (FFA) application window for last-mile federal funding, with a closing date of September 29, 2023. This last-mile FFA consists of \$2 billion to facilitate deployment of last-mile broadband infrastructure projects; \$1 billion for rural counties and \$1 billion for urban counties. The objective of the last-mile FFA is to build broadband infrastructure in communities without access to internet service at sufficient and reliable speeds. Grant applications will be scored on a point system and points can be obtained by providing a match.

Currently, staff is in the process of going through a Request for Proposals (RFP) process to potentially partner with Internet Service Providers (ISPs) to establish partnership(s) to further fiber broadband infrastructure within the County. The process has the following objectives:

1. To select partners to jointly apply for grant funding available through the CPUC broadband grant opportunity under the Last-Mile FFA. The FFA, administered by the CPUC, is a \$2 billion grant program for last-mile broadband infrastructure projects to connect unserved Californians. The program was established in accordance with 2021's Senate Bill 156 (Chapter 112, Statutes of 2021). Based upon the number of unserved households within the County, the County is eligible to compete for and potentially receive up to \$112 Million in grant funding.
2. To select partner(s) to build fiber infrastructure to homes and businesses that may not be eligible for funding, but would benefit from additional competition and better broadband services.

3. To connect County facilities with fiber.
4. To better understand what plans, if any, ISPs have to build out Gigabit broadband within the County and/or to identify their plans to apply for grant funding.

ALTERNATIVES

The Board may choose not to direct staff to pursue a CPUC FFA grant for last-mile broadband infrastructure projects and forfeit the opportunity to potentially receive grant funding to invest in broadband infrastructure within communities in the County that are unserved or underserved. The Board may also choose not to approve the use of American Rescue Plan Act (ARPA) funds for the purpose of matching funds for strengthening of the County's CPUC FFA grant application, resulting in reduced grant funding.

PRIOR BOARD ACTION

See Discussion/Background above.

OTHER DEPARTMENT/ AGENCY INVOLVEMENT

County Counsel, Risk Management

CAO RECOMMENDATION/COMMENTS

Approve as recommended.

FINANCIAL IMPACT

There is no change to Net County Cost associated with this item. ARPA funding allows for the use of these funds for broadband infrastructure. If ARPA funds are utilized as matching funds to obtain CPUC funding to build out broadband priority areas, the portion of El Dorado County ARPA funds allocated towards broadband infrastructure could be reduced because CPUC funds would be used to build out the same areas ARPA funds were intended for. ARPA funds must be obligated by December 31, 2024, and fully spent by December 31, 2026

CLERK OF THE BOARD FOLLOW UP ACTIONS

N/A

STRATEGIC PLAN COMPONENT

Economic Development- Invest in Infrastructure needs to improve and maintain competitiveness
Good Governance-Infrastructure

CONTACT

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