



**City Organization and Services Committee
1st Floor City Council Conference Room Area 'B'
100 W California Ave, Ridgecrest, CA 93555
Wednesday, February 24, 2016 (4th Wednesday each month)**

Wednesday, February 24, 2016

Draft Minutes

COMMITTEE MEMBERS

Lori Acton, Mike Mower, Solomon Rajaratnam, Cecil Yates

Regular Meeting – 5:00 p.m.

This meeting room is wheelchair accessible. Accommodations and access to City meetings for people with other handicaps may be requested of the City Clerk (499-5002) five working days in advance of the meeting.

CALL TO ORDER: Meeting was called to order at 5:01 pm.

ROLL CALL: Present: Lori Acton, Mike Mower, Cecil Yates
Absent: Solomon Rajaratnam
Staff: Tyrell Staheli, Gary Parsons, Dennis Speer
Recording Secretary: S.Walent

APPROVAL OF AGENDA *Motion To Approve Agenda as Amended Was Made By Acton, Seconded by Yates. Motion Carried By Roll Call Vote of 3 Aye (Acton, Yates, Mower), 0 Nays, 1 Absent (Rajaratnam), 0 Abstain*

APPROVAL OF MINUTES *Motion To Approve Minutes as Amended Was Made By Acton, Seconded by Mower. Motion Carried By Roll Call Vote of 3 Aye (Acton, Yates Mower) 0 Nays, 1 Absent (Rajaratnam), 0 Abstain*

PUBLIC COMMENT OF ITEMS NOT ON THE AGENDA

No Public Comment

DISCUSSION AND OTHER ACTION ITEMS

1. Broadband Committee

Bill Sumners gave an overview of the goals he has for the Broadband Committee. (See Attachment)

Acton, Parsons, Speer and Staheli each discussed the obstacles in regards to how the project would be funded and whether or not they would have to apply for grants.

The Broadband Committee was asked to provide Staff with job descriptions and a breakdown of cost per phase.

Justin O'Neill made some points of retention, quality of life as well as economic development advantage.

Speer will be contacting the current internet companies to discuss future expansion.

Acton will be looking into optional funding sources.

Parsons said he would be contacting other cities to ask them how they funded or did they use a general fund. Parsons said he would need a list of the cities he can use for reference and Bill said he would get a list of questions and related cities to contact in California.

Committee members and staff will discuss their findings at next month's meeting.

COMMITTEE MEMBER COMMENTS

- **None**

SUPPORT STAFF COMMENTS

- **None**

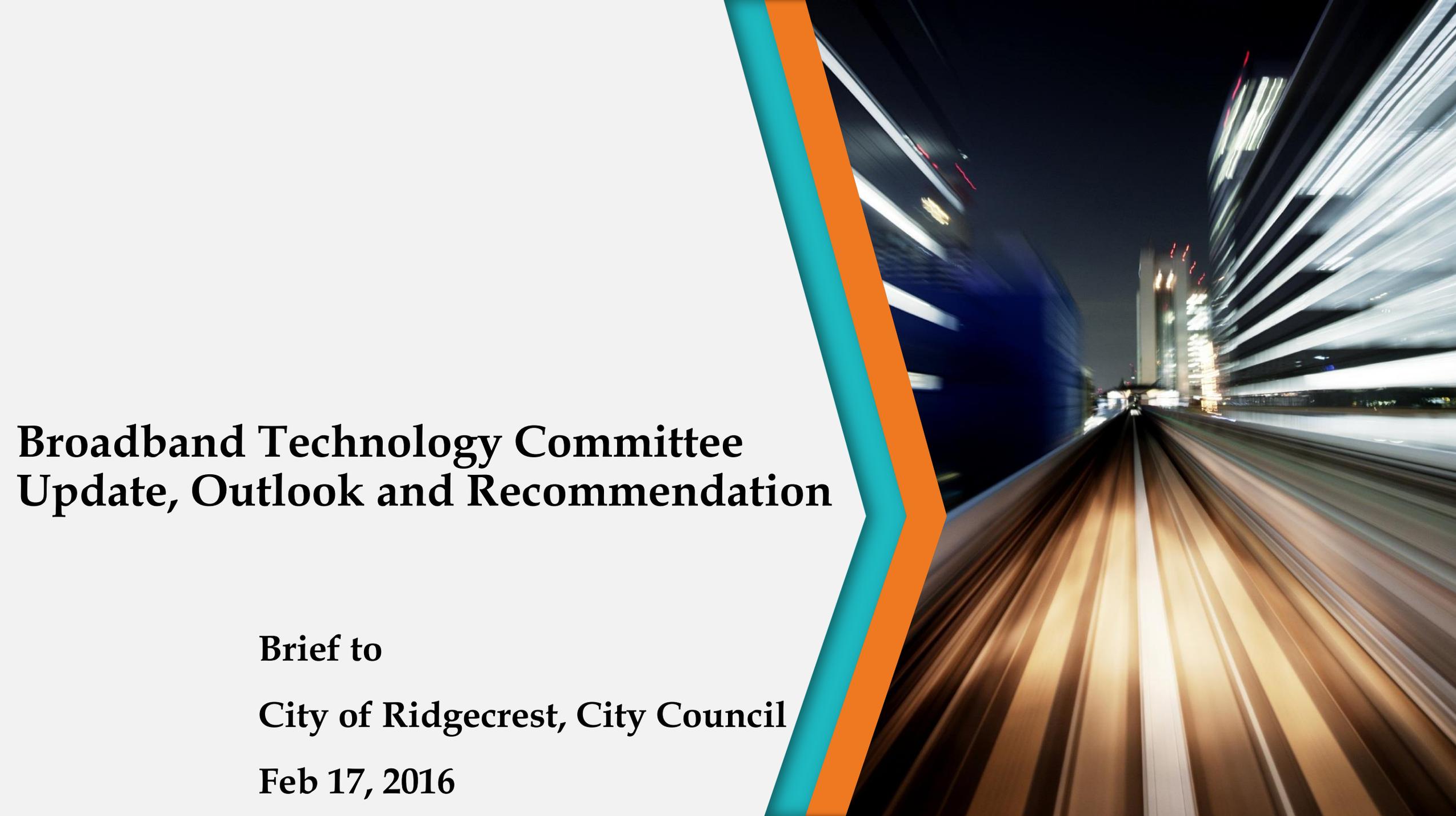
FUTURE AGENDA ITEMS

- **O'Neil Dynamics**
- **Broadband Committee**

NEXT MEETING

- **Wednesday, March 23, 2016**

ADJOURNMENT at 6:13 p.m.



Broadband Technology Committee Update, Outlook and Recommendation

Brief to

City of Ridgecrest, City Council

Feb 17, 2016

Introduction

- **The Broadband Committee is Sub-Committee of the Economic Development Committee**
 - Its purpose is to facilitate implementation of a gigabit Internet fiber optic network for Ridgecrest that is critical for economic development
 - Committee members are Dr. Earl Ferguson, Dave Matthews, Chip Holloway, Bill Sumners, Justin O'Neill, and Jay Chun, with contributions from Timothy Neipp and Ray Hocker
 - With the exception of Justin O'Neill, all members are unpaid volunteers with no official ties with the city

Broadband Internet is required for healthcare, public safety, education, and economic development to support our community.

- **What is Broadband Internet?**

- Broadband is a high-capacity transmission system for reliable Internet communications. State-of-the-art fiber optic cable can transmit much more than gigabits per second. Other broadband techniques, like coaxial cable and wireless/WiFi, are much more limited than fiber, typically to 100 Mbps or a little faster.

- **California Broadband Cooperative (CBC)**

- CBC is a cooperative owned and operated by members in the Eastern Sierra Region. It is a major resource for regional gigabit fiber optic network implementation.
- CBC completed the Digital 395 Project in 2014: The 583-mile network actually operates as an Internet backbone between Carson City, NV and Barstow, CA connecting to two Level III Internet backbones, although funding agencies define it as “middle mile”. The project was funded by the U.S. Department of Commerce under the American Recovery and Reinvestment Act of 2009 (ARRA), and the California Advanced Services Fund administered by the California Public Utilities Commission.

Broadband Internet is required for healthcare, public safety, education, and economic development to support our community.

- **Our Community must have robust, reliable broadband**
 - High capacity broadband is essential economic development
 - It is essential for healthcare
 - Ridgecrest Regional Hospital has gigabit connectivity for rapidly growing health information technologies. Its needs for Internet connectivity will continue to grow rapidly. Telemedicine/telehealth requirements, for example, are expected to double yearly for the next few years, especially with mobile monitoring devices and other technologies to support patients at home.
 - It is essential education
 - Sierra Sands
 - Cerro Coso Community College
 - It is essential for the quality of life of the citizens of Ridgecrest and the frequent visitors to our city

Broadband Internet is required for healthcare, public safety, education, and economic development to support our community.

Funding Opportunities

- Healthways -- Blue Zones Project
 - Grant development and support for communities selected as Blue Zone projects
- California Accountable Communities for Health
 - Community Partners website: <http://www.communitypartners.org/cachi>
- TAB funds for initial implementation
- RFP for last mile implementation to business and community residences
 - To drive dialog with and proposals from incumbent service providers
- Infrastructure planning and permit collaborations to bring down cost
 - right-of-ways
 - utility poles
 - un-used pipes and conduits
 - trenching and installation methods
- Revenue Bonds

Municipality or Private Sector Broadband Ownership Options

- **Municipality, city installs the network**
 - City owns the network, city utility
 - RFP for service providers – very competitive
 - Fees from service provider(s) go towards
 - Paying off revenue bond
 - Fees to CBC connectivity and management of network
 - Support City network operations, maintenance and upgrades
(Outsourcing is an alternative)
- **Private Sector**
 - Owns the network
 - Responsible for network operations, maintenance and upgrades

Recently Upgraded Community Broadband Infrastructures

- **Mammoth Lakes, CA**
 - Private venture by incumbent service provider
- **Sandy, OR (pop: 10,000)**
 - Municipal approach with use of revenue bond
- **Santa Monica, CA**
 - Revenue from savings by terminating access to private lines
- **Glasgow, Kentucky**
 - Revenue bond

California Communities Now Getting Gigabit Broadband Infrastructure

- **Boron**
- **Randsburg**
- **Johannesburg**
- **Crowley Lake**
- **Stallion Springs**
- **Mammoth Lakes**
- **Ridgecrest?????**

Cost-Benefit Analysis

- **Cost-Benefit Analysis (CBA) estimates and totals up the equivalent money value of the benefits and costs to the community of projects to establish whether they are worthwhile. These projects may be dams and highways or can be training programs and health care systems.**

Gigabit Ridgecrest

- **Cost to install \$\$**
 - Phased approach
 - Develop Implementation plan 3 Month
 - Socialize Plan with community 30 days
 - Ask for city residents to invest, Pay it forward, Large \$ investor, Loans from residents, Partnering with existing ISP's, utility grants, Bonds
 - Set up ISP owned and operated by the City. Billing, Support, Partnering agreements
 - RFP to Contractors, use locals
 - Free wireless throughout the city 1Mb. Bandwidth on demand. Fee for service, like hotels and airlines
 - Start laying fiber to the high density and business areas while wireless pays the bills

Cost Breakdown

- Monthly connection cost to CBC, \$7k =1gb
- Installation cost. \$25m
- If the City ISP gets 60% subscriber rate as Sandy OR did at \$60 monthly of 4000 subscribers. Monthly gross income would be \$240,000
- Over 12 months total gross income would be
\$2,880,000
- Over 20 years, \$57,600,000

Changing the Numbers

- If the City ISP gets 70% subscriber rate as Sandy, OR, did at \$75 monthly of 5000 subscribers, monthly gross income would be \$375,000
- Over 12 months total gross income would be
\$4,500,000
- Over 20 years, \$90,000,000

Cost savings to Residents

- Phone \$72 currently to \$9.95
- Cable, Internet and Satellite TV \$120 to \$75
- Internet \$70
- Total from \$262 monthly to \$84.95

Savings of \$177.05 Monthly

Broadband Internet is required for healthcare, public safety, education, and economic development to support our community

- **Recommendations: City Council Engagement**

- Direct City Staff to work with City Council, Broadband Committee and the public to develop and implement a Broadband policy over the next 3 months.
 - Draft is Completed
- Reviews and progress reports by staff monthly at City Council meeting
- General Plan Change
 - Implement one dig policy
 - City Staff engaged with Broadband committee.
 - Assign IT type person from the City to help.
- Broadband Committee engage with Planning Commission and Infrastructure Committee to assist implementation plan.

Broadband Internet is required for healthcare, public safety, education, and economic development to support our community

- **Additional Recommendations**

- Request for proposal
 - City draft RFP (with help from the broadband committee) to hire an employee to prepare an implementation plan for Gigabit Internet installation throughout the city
 - Plan would engage existing and other Internet providers to examine connectivity throughout the city and propose options for future connectivity and buildout.
 - Prepare cost matrices and performance criteria.
 - With comprehensive detail for implementation, cost and return on investment.
 - Decide on municipality or private sector service providers
 - Develop phased approach for implementation of gigabit internet to each household and business
- Invest TAB funds to pay for RFP and potential investment into start-up efforts

Recommended Goal's for the City of Ridgecrest and the surrounding area.

- **Goal 1. Plan for development of Ridgecrest as a gigabit community to serve all businesses and community users by or before 2019.**
- **Goal 2. Provide development standards to ensure that deployment and implementation minimizes impacts on visual and natural resources.**
- **Goal 3. Seeking cost-effective, efficient and reliable solutions that will be supported by the community.**

Resource Documents for City Staff

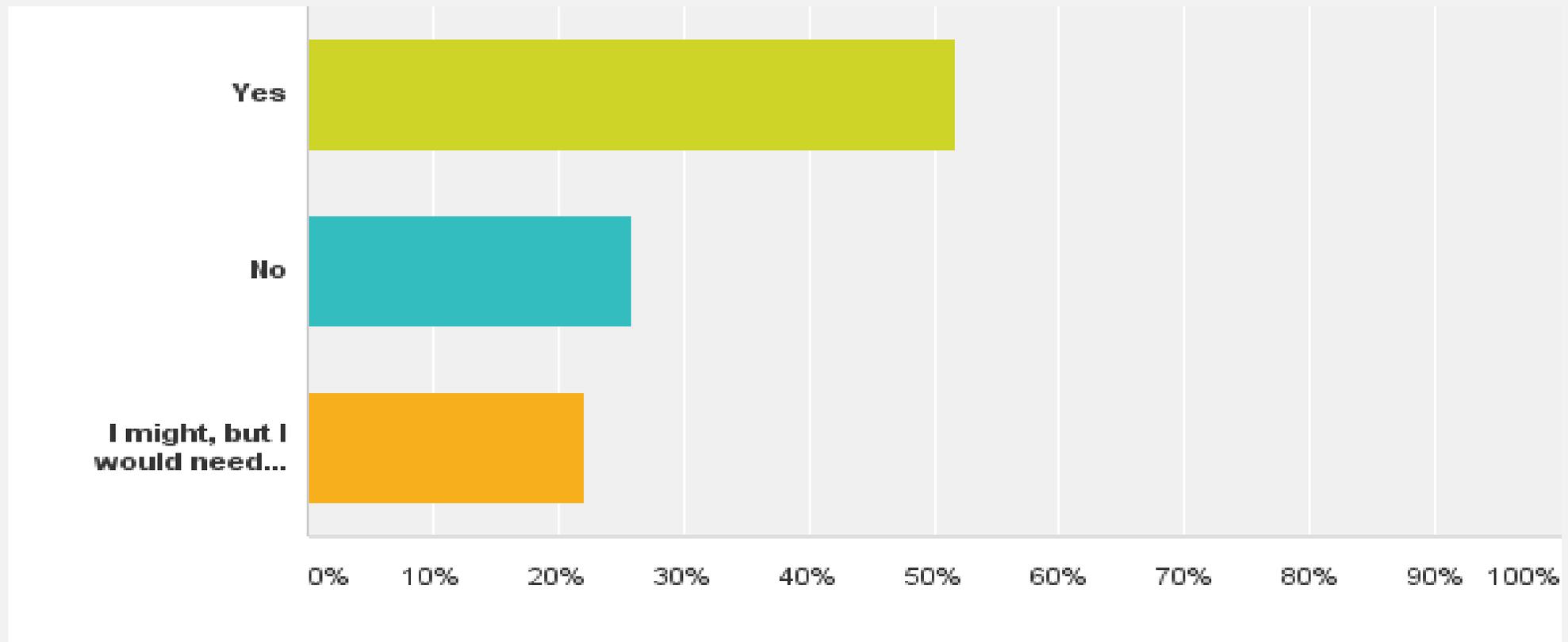
- **Broadband Presentation Outline**
- **Broadband Survey Results**
 - Residential & Business Reports
- **Broadband Community Strategy**
- **Draft Ridgecrest Gigabit Broadband Policy**
- **Millennial Focus Group Report**

Summary

- **Summary**
 - **Click here for Video: [Gig City Sandy](#)**
 - **Relevant for the entire community**
 - **World-class, reasonably priced, high capacity Internet access where you live, work and play**
 - **Provides opportunities to thrive for all generational groups, businesses and residences**
 - **Further actions/analysts/decisions by city officials/staff**
 - **Brief Summary of Surveys**

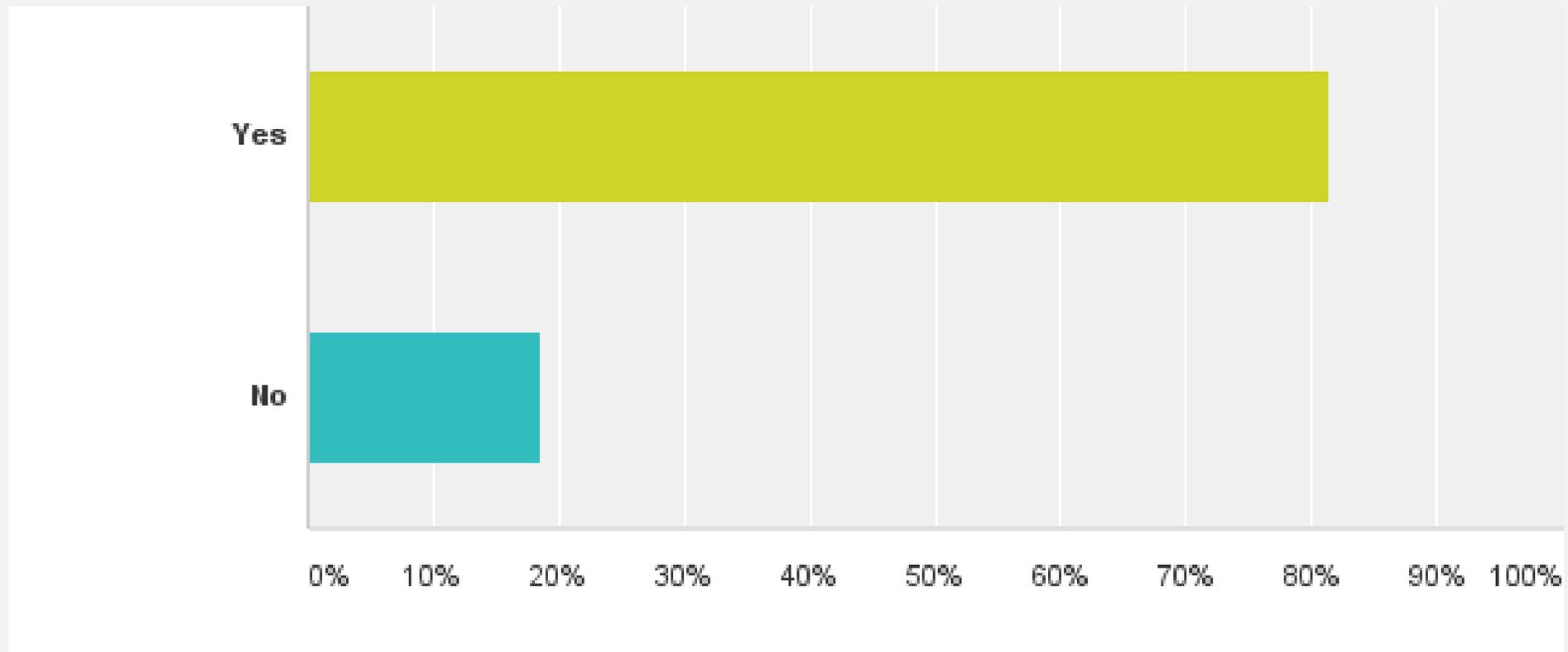
Buy-in, Data supporting recommendation

Question 12: If you had access to unlimited bandwidth and were able to afford it, would you diversify or grow your business?



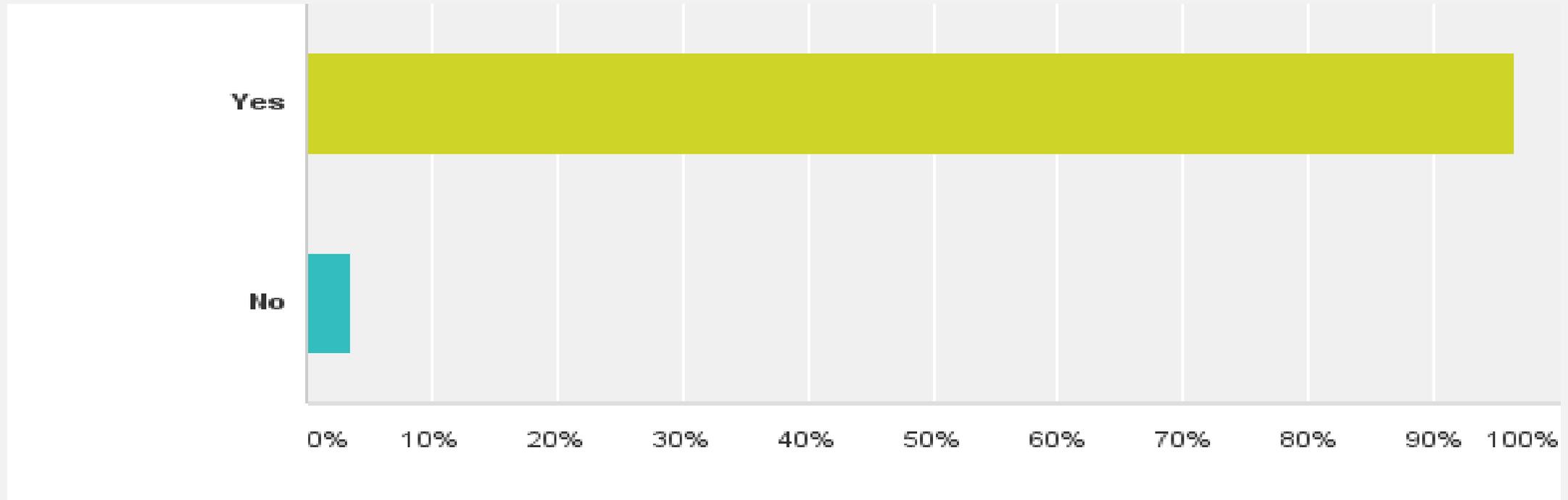
Buy-in, Data supporting recommendation

Question 14: In order to make the initial fiber connection cost more affordable, would you be willing to partner with other businesses?



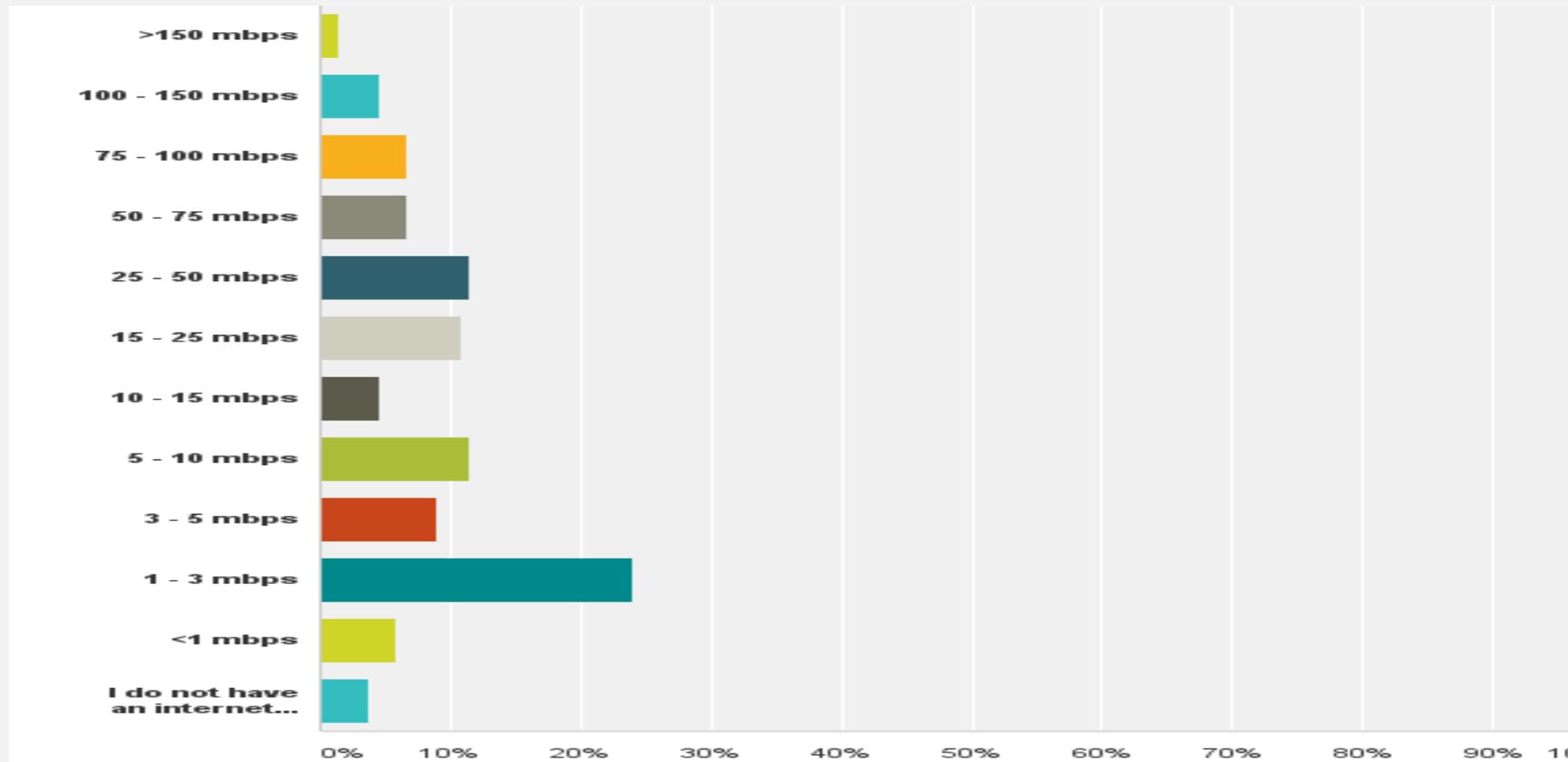
Buy-in, Data supporting recommendation

QUESTION 1: DO YOU HAVE INTERNET ACCESS AT HOME?



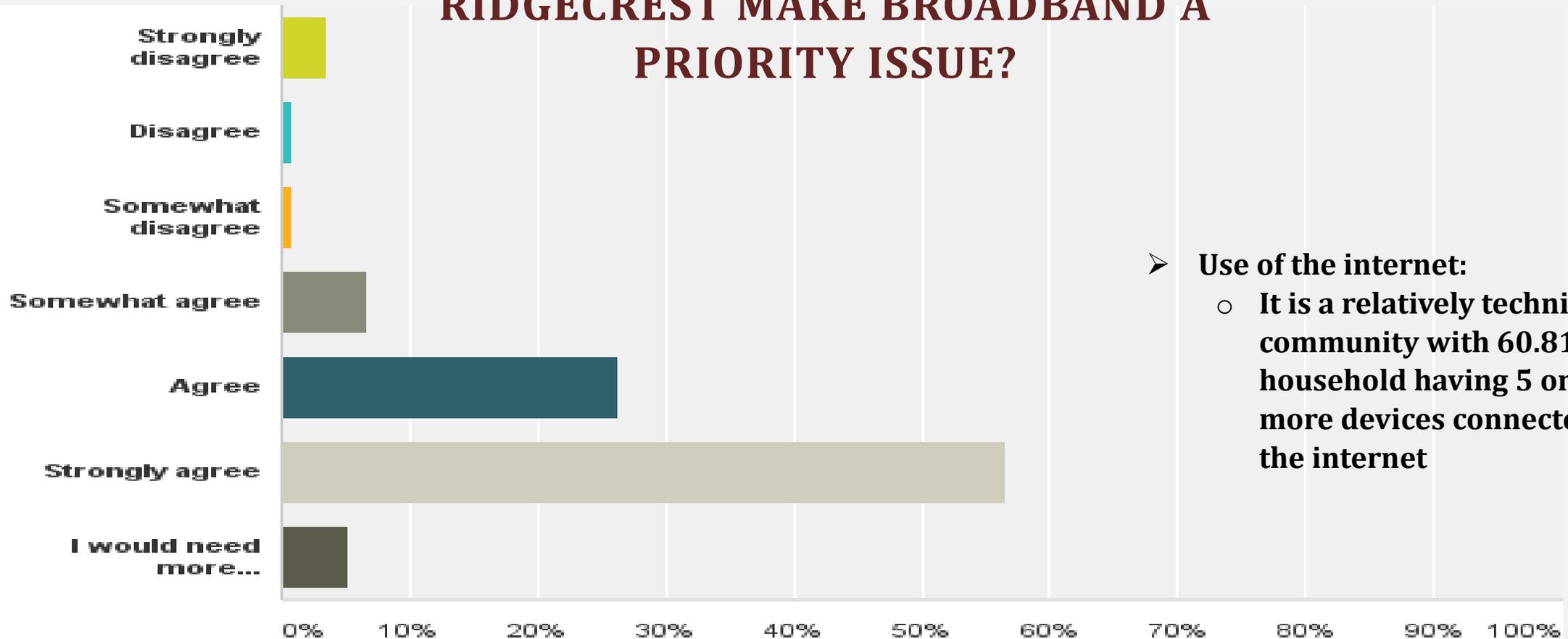
Buy-in, Data supporting recommendation

QUESTION 7: WHAT IS YOUR ACTUAL INTERNET DOWNLOAD SPEED AT HOME?



Two Content Layout with Table

QUESTION 19: SHOULD THE CITY OF RIDGECREST MAKE BROADBAND A PRIORITY ISSUE?



- Use of the internet:
 - It is a relatively technical community with 60.81% of household having 5 or more devices connected to the internet

Questions?

"And here's the kicker: polls show that world-class internet access is becoming a voting issue in America." - *National League of Cities: Broadband Report (Jan. 7, 2016)*

"What water and power were in 1910 or 1930, Internet access is in 2016. Cities needn't wait for Google like a home-bound Cinderella waited for her prince to rescue her from her ashes and sack clothes. Cities and towns could deliver such services more cheaply and comprehensively than private companies, and even more importantly, could spark new business ventures within their borders in ways impossible to calculate." - *Governing Magazine*