



Board Report

File #: A 21-286, **Version:** 1

Consider a preliminary analysis, in response to **Board Referral No. 2021.08** to explore potential of creating a Monterey County Broadband Joint Powers Authority (JPA) to facilitate regional governance, strategy, collaboration and partnerships on expanding broadband access and closing the digital divide throughout Monterey County.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Receive the preliminary analysis outlined below in response to Board Referral No. 2021.08;
- b. Provide direction on a preferred referral processing option:
 - 1) Proceed with completion of referral based on modifications by Board, including considerations to modify the referral to include exploring additional broadband governance structures:
 - 1.1) A JPA arrangement to allow public agencies, schools, community partners and institutions within Monterey County to contract to jointly exercise common powers;
 - 1.2) A JPA arrangement that allows public agencies, schools, community partners and institutions to form a separate legal entity; or
 - 1.3) A Community Broadband Board with representations from public agencies, schools, community partners and institutions
 - 2) Return to Board with a more comprehensive analysis of referral and anticipated effort for completion;
 - 3) Provide further direction, as appropriate.

SUMMARY:

Monterey County IT department received Board referral #2021.08 on May 18, 2021 to explore the potential of creating a Monterey County Broadband Joint Powers Authority to facilitate regional governance, strategy, collaboration and partnerships on expanding broadband access and closing the digital divide throughout Monterey County.

ITD acknowledges the Board referral and has been working diligently with various entities including Monterey Bay Economic Partnership, Central Coast Broadband Consortium, City of Salinas, Tellus Venture Associates, County Council and BB&K to research multiple topics of discussion for the purpose of sustainable community broadband development, which include:

1. Identify sustainable broadband issues that the proposed JPA aims to solve.
2. Identify a sustainable community broadband operations model
3. Lessons learned from previous regional effort on trying to solve community broadband issues.
4. The most appropriate governance structure for the development of community broadband infrastructure in Monterey County.
5. Best practices handling community broadband issues with multiple local government agencies.

ITD would like to request Board to consider modifying the referral to include additional broadband governance structures which may include:

1. A JPA arrangement to allow public agencies, schools, community partners and institutions within Monterey County to contract to jointly exercise common powers;
2. A JPA arrangement that allows public agencies, schools, community partners and institutions to form a separate legal entity; or
3. A Community Broadband Board with representations from public agencies, schools, community partners and institutions.

ITD will return to Board with a more comprehensive analysis of referral and anticipated effort for each governance structure.

PRELIMINARY ANALYSIS:

Background:

Monterey County IT department received Board referral #2021.08 on May 18, 2021 to explore the potential of creating a Monterey County Broadband Joint Powers Authority to facilitate regional governance, strategy, collaboration and partnerships on expanding broadband access and closing the digital divide throughout Monterey County.

With unprecedented federal and state funding that will soon be allocated to address the digital divide and expand broadband access throughout California, including federal American Rescue Plan Act (ARPA) funding, a record state budget allocation this year and a potential \$10 billion broadband bond in 2022, there is an immediate need for local governments, including the Board of Supervisors, cities, school districts, special districts, universities and other community partners and institutions, to create a governance structure to better facilitate regional strategy, collaboration and partnerships on expanding broadband access and closing the digital divide throughout Monterey County. There is also a need to also devise a strategic plan to expand access and digital literacy, and to facilitate affordability rates for county residents. The governance structure should have equitable geographic representation from Salinas, North County, South County and the Peninsula, and place a priority for unserved, underserved and disadvantaged communities with the greatest needs and challenges in the county.

Project Description:

ITD acknowledges the Board referral and has been working diligently with various entities including Monterey Bay Economic Partnership, Central Coast Broadband Consortium, City of Salinas, Tellus Venture Associates, County Council and BB&K to research multiple topics of discussion for the purpose of sustainable community broadband development, which include:

1. Identify sustainable broadband issues that the proposed JPA aims to solve.
2. Identify a sustainable community broadband operation model.
3. Lessons learned from previous regional effort on trying to solve community broadband issues.
4. The most appropriate governance structure for the development of community broadband infrastructure in Monterey County.
5. Best practices handling community broadband issues with multiple local government agencies.

In early March of 2020, the Coronavirus Pandemic stopped the world in its tracks. Schools were shut down across the country and left in a quandary to continue providing education outside the classroom. The heartbreaking photo of the two little girls accessing the internet outside a fast-food restaurant in East Salinas last August highlighted the digital divide crisis for many families in Monterey County and throughout our

nation during this pandemic.

In addition to unprecedented federal and state funding that will soon be allocated to address the digital divide and expand broadband access throughout California, the FCC E-Rate Program has been providing funding to assist schools and libraries in the United States to obtain affordable telecommunications and internet access. As a result, most schools and classrooms in Monterey County have updated network infrastructure due to recurring support funding provided by FCC E-rate program. However, this program's rules do not grant students or teachers funding to access the internet at home.

Now, Congress and the FCC will examine the E-Rates Program to bridge that gap fast amidst a global pandemic. Two E-rate related bills are the most exciting and relevant: The Moving America Forward Act (MAFA) and the Accessible Affordable Internet for All Act (AAIAA) that will address broadband needs of rural students. The MAFA proposes to expand the E-Rate program to fund home broadband connections, laptops and tablets for rural students, and mobile hotspot lending for schools and libraries. It intends to expand the eligibility of E-Rate services being delivered to students' and teachers' homes and would also help support devices, which aren't currently supported by the E-Rate Program. The second bill is the AAIAA, which would enable students without the internet at home to participate in remote learning. The AAIFAA acknowledges the importance of broadband connectivity at home for students and teachers learning and teaching in a virtual environment.

The Joint Exercise of Powers Act, as codified in California Government Code section 6500, governs Joint Powers Authorities. The Act authorizes two kinds of JPA arrangements. The first allows two or more public agencies to contract to jointly exercise common powers. The second allows two or more public agencies to form a separate legal entity. This new entity has independent legal rights, including the ability to enter into contracts, hold property and sue or be sued.

In addition to JPA, there are other governance structure worth considering. For example, Monterey County public safety agencies went through a JPA study about 6-8 years ago when looking into form a more effective governing body for the regional public safety dispatch services. They found out it is cost prohibitive to form a JPA which will have significant amount of overhead and complexity. They instead formed the current Monterey County Emergency Communications Board structure. All regional 911 Dispatch Users have entered into to the attached 911 Services Agreement. It works very effective with regional agencies. The County Board of Supervisors has final authority regarding all aspects of the 911 system, including budget, for delivery of emergency communications services.

ITD would like to request Board to consider modifying the referral to include additional possible broadband governance structures which may include:

1. A JPA arrangement to allow public agencies, schools, community partners and institutions within Monterey County to contract to jointly exercise common powers;
2. A JPA arrangement that allows public agencies, schools, community partners and institutions to form a separate legal entity; or
3. A Community Broadband Board with representations from public agencies, schools, community partners and institutions.

ITD will return to Board with a more comprehensive analysis of referral and anticipated effort for each governance structure.

Estimated Project Cost:

ITD will return to Board with estimated cost.

Staffing Level Estimate:

ITD will return to Board with estimated staffing level.

Departmental Challenges:

Community broadband challenge is about coming up with a sustainable, and executable public and private partnership model that will benefit Monterey County residents for the long run, while producing quick and measurable outcomes.

Proposed Response Date:

ITD will return to Board with an update within six weeks.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The pandemic has underscored the critical utility of broadband infrastructure. From the homework gap and workforce adaptation to essential healthcare services and e-commerce, broadband is now the keystone to our nation's response to the global pandemic and imperative to building resilient and future-ready communities. The lack of reliable broadband is a major economic barrier and a leading driver of socioeconomic inequality. County's goal is to ensure that every resident in Monterey County, regardless of their circumstances, could access broadband. The ability to do so will pay dividends far beyond the current crisis we find ourselves in. With unprecedented federal and state funding that will soon be allocated to address the digital divide and expand broadband access throughout California, including federal American Rescue Plan Act (ARPA) funding, a record state budget allocation this year and a potential \$10 billion broadband bond in 2022, there is an immediate need for local governments, including the Board of Supervisors, cities, school districts, special districts, universities and other community partners and institutions, to create a governance structure to better facilitate regional strategy, collaboration and partnerships on expanding broadband access and closing the digital divide throughout Monterey County.

X Economic Development

__ Administration

X Health & Human Services

X Infrastructure

__ Public Safety

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