

## 18.6 Government & Other Key Partnerships

Title: Digital 395 Middle Mile  
Easy Grants ID: 5569

### **Introductory Paragraph**

The Digital 395 project has assembled numerous letters that widely represent the interests and hopes of state, county, city and business leaderships. While they all have differing reasons for wanting the Digital 395 project to be funded and built, they all share a vision of the value of immediately bringing broadband communications into this region. As the California Broadband Cooperative takes shape and begins to expand, many of these businesses and agencies will either find representation or direct positions on the board of directors. In every respect, members of the community regard this project as significantly defining the future of the region. As one County Supervisor indicated at a public meeting, “The fate of our future is tied to the outcome of Digital 395.”

### **Attached Letters:**

Partner Letters  
Letters of Support  
Letters from Service Providers  
Letters of Interest  
Letters from Vendors/Contract Readiness

## **Digital 395 Middle Mile**

**Easygrants: 5569**

### **Partner Letters**

California Public Utilities Commission - CPUC

California State Office of the CIO

Caltrans

Communication Workers of America

Inyo County Board of Supervisors

Inyo Networks, Inc.

Mono County Information Technology, Greg Newbry

Nevada Department of Transportation

Praxis Associates

Date of Issuance: 12/8/09

**PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

**Communications Division  
Carrier Oversight and Programs Branch**

**ALTERNATE  
RESOLUTION T- 17232  
December 3, 2009**

**R E S O L U T I O N**

**Resolution T-17232 Funding Approval from the California Advanced Services Fund (CASF) for The California Broadband Cooperative of California's Digital 395 Middle Mile Project Amounting to \$19,294,717.**

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**Summary**

This Resolution adopts contingent funding for the California Broadband Cooperative of California's Digital 395 Middle Mile project amounting to \$19,294,717 from the California Advanced Services Fund (CASF). The amount granted represents 19% of the total project costs to provide broadband service to an underserved area in accordance with Commission Resolution T-17143 and Decision (D.) 09-07-020.

**Background**

On December 20, 2007, the Commission approved Decision (D.) 07-12-054 which established the two-year CASF program to provide matching funds of up to 40% of the total project costs for the deployment of broadband infrastructure in unserved and underserved areas in California.<sup>1</sup> Resolution T-17143, approved on June 12, 2008, adopts the CASF application requirements, scoring criteria for the award of funds, and a prescribed timeline for other filings and notifications including a projected Commission Meeting date for final approval of award(s).

On July 9, 2009, the Commission adopted D.09-07-020 establishing new schedules and plans for filing, review and approval of an additional round of broadband project requests.

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<sup>1</sup> SB 1193 (Chapter 393, Statutes of 2008) established the California Advanced Services Fund as a new public purpose program.

This decision also provides the potential for the applicants to seek CASF program funding while pursuing funding for broadband deployment grants issued under the American Recovery and Reinvestment Act (ARRA).<sup>2</sup> Because the federal grants under ARRA can fund up to 80% of the project, the Commission provided applicants in D.09-07-020 the opportunity to seek an additional 10% funding coverage from the CASF leaving only 10% for the applicant to provide. In reducing the amount of funding the Commission commits to projects receiving ARRA funds, the Commission acknowledged that there may be situations where “additional CASF funding” may be warranted.<sup>3</sup> The Commission contemplated situations similar to the CASF applications it had received before from for-profit broadband providers and did not contemplate an application with the unique non-profit financial structure, middle mile open-access network, large number of jobs, and public safety benefits as the Digital 395 Middle Mile project provides to California consumers.

As of October 29, 2009, the CPUC has awarded CASF grants totaling \$15.12 M for 30 projects, covering 4,942 square miles and benefiting 41,209 households as follows:

- Unserved - \$11.4 M, 16 projects, 4,284 sq. mi. and 32,284 households
- Underserved - \$3.8 M, 14 projects, 658 sq. mi. and 8,925 households

## Notice/Protests

The Census Block Group (CBG) list appeared by county on the Commission’s CASF website page under “UNDERSERVED areas proposed to be served as of July 17, 2009: Census Block Groups (CBGs).” Only two of the 62 CBGs covered by this project were challenged by other service providers.

## Discussion

This Resolution adopts contingent funding of \$19,294,717 from the CASF for The California Broadband Cooperative’s Digital 395 Middle Mile network project in Mono, Inyo, Eastern Kern and North West San Bernardino County.

Inyo Networks originally submitted the Digital 395 CASF application on July 16, 2009 to provide wholesale middle mile broadband/backhaul services to an area of the state that is underserved by middle mile broadband networks with the intent to transfer the project to a non-profit cooperative at some future point prior to completion of the project. However, after the CASF July 17, 2009 deadline had passed, at the urging of the county governments of Mono, Inyo and Kern Counties, they accelerated the creation of a different entity, the non-profit member run and owned organization, the California Broadband Cooperative, Inc. (CBC), of which Inyo Networks is a member, and submitted the ARRA application for the Digital 395 Middle Mile network on August 14, 2009 under that name.

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<sup>2</sup> The American Recovery and Reinvestment Act appropriates \$7.2 billion for grants and loans to support broadband deployment on a national level. ARRA offers a unique and ground breaking opportunity for California to partner with the federal government and other state agencies in advancing the goal of bridging the digital divide.

<sup>3</sup> D.09-07-020, *mimeo*, at page 11.

As a result, on September 28, 2009, Inyo Networks requested that their original CASF application for the Digital 395 Middle Mile network be transferred to the non-profit cooperative, the CBC. As a member of the CBC, Inyo Networks will serve as the fiscal agent for the CBC. Inyo Networks submitted its application (A.09-07-023) for a Certificate of Public Convenience and Necessity (CPCN) on July 16, 2009. Therefore, the CBC CASF application is being considered in conjunction with Inyo Networks' CPCN application as this will have a bearing as to whether Inyo Networks can fulfill its role as the fiscal agent for the CBC.

Some of the duties of the fiscal agent include: being responsible for financial transactions, the clarification/verification of expenses incurred related to the CBC Digital 395 Middle Mile project, receiving CASF payments, and ensuring that the CBC files related to the CASF award are accessible to the Commission.

The application states that "the California Broadband Cooperative was created from a community consensus, led by the elected leadership of California's Eastern Sierra Counties, to establish a telecommunications alternative for the area." The application describes California's Eastern Sierra region as "a high cost, rural area that the incumbent LECs were unwilling to invest in because of high construction cost and small market size when compared to larger urban areas. As a result, economic development suffered and where broadband service is available, its residents pay some of the highest prices in the state."

The CASF application for the Digital 395 Network also states: "Once constructed, the Digital 395 Network will be owned and operated by the California Broadband Cooperative Inc., which is a member owned cooperative. Membership is open to all wholesale level customers and prospective members are required to purchase facilities or services in order to join the Cooperative. Potential cooperative members are Government, Education and Medical agencies, Telephone, Wireless, Cable TV, and Internet Service Providers. The minimum service level purchase required is 1.544 mbps. To ensure a level playing field for all members; the Cooperative will operate using a "non-profit" business model with operating policies determined by the Board of Directors. The Board of Directors will be drawn from the membership body and will be elected on the basis of one member, one vote. The Cooperative does not expect to charge an initiation fee for membership although this policy will be subject to the Board of Directors review. Installation charges for services purchased will likely apply."

The total project cost for the CBC Digital 395 Middle Mile network project is \$101,494,218, down from the originally submitted \$108,400,000 CASF request. The reduction is discussed below. The \$101,494,218 cost consists of \$25,461,688 in materials and equipment and \$76,032,530 comprising the fully loaded installation and labor costs. The applicant requests that CASF funds be used to fund 19% of the total project or \$19,294,717, while concurrently seeking 80% funding through the ARRA program. The remaining 1% or \$1,004,126 would come from the work CBC has done with the region's local city and county governments to identify \$337,400 of in-kind funding that can be contributed to the project, and a \$666,726 contribution from Praxis Associates, Inc. The project time line in the application shows that the project will be completed within 24 months of the date of approval.

The CBC Digital 395 project proposes to construct a 448 mile 10 Gigabit high capacity fiber optic middle mile / backhaul route along US Highway 395 from Barstow, California in San Bernardino County in the south to the Nevada State line at Topaz Lake in Mono County in the North. The network will establish a future-proof broadband “middle mile” link to over three dozen communities, stimulate broadband edge-out in the local communities, and fill-in wireless voice and data transmission gaps along the well-traversed US Highway 395 corridor. The CBC Digital 395 project will also create route diversity and redundancy between Southern California and Northern Nevada for enhanced communications and public safety, telemedicine and national security.

The CBC Digital 395 middle mile network will feature an open access architecture with local points of wholesale interconnection for service providers including Wireless Internet Service Providers (WISPs), that provide last mile broadband and Internet access. The area that the CBC Digital 395 wholesale middle mile network proposes to serve contains 28,127 households, 2,571 businesses, and 168 community anchor institutions, including 74 educational, 12 health care, 11 libraries and 26 public safety entities. The area also contains 41 additional anchor institutions including: two military bases, courthouses, municipal utilities, regional Federal offices for the Bureau of Land Management and the U.S. Forest Service. Besides serving most community anchor institutions, the project will significantly contribute to elevating the broadband subscribership in the project serving area above its current relatively low penetration rate. The Digital 395 project proposed two year price commitments for their wholesale price structure.

The Communications Division (CD) reviewed the project’s eligibility by analyzing the required data submitted. These data include, but are not limited to: descriptions of current and proposed broadband infrastructure; Geographic Information System (GIS) formatted Shapefiles mapping the subject areas; assertion that the area is underserved; potential subscriber size and household incomes; project construction schedule; project budget; proposed pricing and commitment period for new subscribers; and financial qualifications of the applicant. In addition, CD reviewed the Shapefiles submitted which mapped the proposed broadband deployment using data from the United States 2000 Census and the revised August 10, 2009 California broadband availability maps among others.

CD performed further verification with the applicant which included two meetings and several teleconferences. The applicant provided additional data and other information that clarified the CBC Digital 395 project proposal. Based on these discussions and CBC’s discussions with county officials, CBC reduced the size of the network and reduced their total project cost from \$108,400,000 to \$101,494,218.

CD conducted its independent review and analysis of this project and found that the CBC Digital 395 network will contain no access infrastructure equipment which transits through any of the served areas. Therefore, the CBC Digital 395 middle mile network will not have the capability to compete with existing or future last mile retail broadband networks. However, the proposed CBC Digital 395 middle mile network will offer wholesale services to all service providers, businesses and other entities in the serving area, and will not offer any retail services.

The CBC Digital 395 project is subject to California Environmental Quality Act (CEQA) review. Thus, the Commission cannot award a CASF grant for project construction without completing CEQA review. The CBC would be required to comply with all the guidelines, requirements and conditions associated with the granting of CASF funds as specified in Resolution T-17143 including the submission of Form 477 and compliance with CEQA. At this time, the physical components of this project are too speculative for the Commission to conduct meaningful review of the projects potential impacts to the environment. The CBC should provide a Proponent's Environmental Assessment report pursuant to the requirements of Resolution T-17143 as soon as detailed project information is available.

In addition, the receipt of the CASF grant shall be contingent on the CBC receiving an 80% ARRA grant for its Digital 395 middle mile project. If the applicant is not successful in its effort to obtain an ARRA grant or if of the funds granted are less than 80%, then The CBC may request additional CASF funds in accordance with Ordering Paragraph No. 7 of D.09-07-020 which allows "for additional California Advanced Services Fund funding up to a cumulative maximum of 40% of the broadband project cost, or 50% of the requested American Recovery and Reinvestment Act funding that was denied, whichever is less." The granting of additional funds would be contingent on funds still being available in the CASF program.

California Broadband Cooperative should not be required to post a performance bond as the 80% ARRA funding can be regarded as a secure source of capital funds and meets the Commission's capital budget requirement. Further, the withholding of 10% of the award, pending final a audit that the entire scope of work is completed will adequately protect the Commission's interests

The CBC Digital 395 Middle Mile Project Key Information is shown as Appendix A, page A-1 through A-3, the proposed service area is shown in the shapefile in Appendix A, page A-4, and in a statewide map as page A-5.

### **Payments to CASF Recipients**

Submission of invoices and payments to CASF recipients shall be made in accordance with Section IX of Appendix A of Resolution T-17143 and according to the guidelines and supporting documentation required in Resolution T-17143.

Payment for the CBC Digital 395 network shall be submitted through Inyo Networks, the fiscal agent for the CBC, following the process adopted for funds created under Public Utilities Code §270. The following table describes the timeline for processing CASF payments:

Event	Payment Cycle 1 (Day/Month)	Payment Cycle 2 (Day/Month)
Invoices due from CBC to CD	5 <sup>th</sup> of Month 1	20 <sup>th</sup> of Month 1
Payment letters from CD to Information and Management Services Division (IMSD) <sup>4</sup>	On 19 <sup>th</sup> of Month 1	On 4 <sup>th</sup> of Month 2
Invoices submitted from IMSD to State Controller's Office (SCO) for payments	20 <sup>th</sup> through 26 <sup>th</sup> of Month 1	5 <sup>th</sup> through 13 <sup>th</sup> of Month 2

Inyo Networks, the fiscal agent for the CBC, may submit its invoices under Payment Cycle 1 or Payment Cycle 2.

If any date in this payment schedule falls on a weekend or holiday, that date will be advanced to the next business day but the remaining dates in the payment schedule will remain unchanged. SCO requires 14 to 21 days to issue payment from the day that requests are received by SCO.

Because the CBC Digital 395 project would not be built without both a CASF and ARRA grant, the CBC should notify the Director of the CD of the disposition of the ARRA grant application as well as whether the CBC will pursue the project without ARRA funding.

### Comments on Alternate Draft Resolution

In compliance with PU Code § 311(g), a notice letter was e-mailed on November 3, 2009 informing a) all CASF applicants applying under D 09-07-020 and b) parties on the service list of R.06-06-028 of the availability of the draft of this Alternate Resolution for public comments at the Commission's website <http://www.cpuc.ca.gov/static/documents/index.htm>. This letter also informed parties that the final conformed Resolution adopted by the Commission will be posted and will be available at this same website. No comments were received regarding the alternate draft resolution, as of November 23, 2009.

### Comments on Original Draft Resolution

In compliance with PU Code § 311(g), a notice letter was e-mailed on September 29, 2009 informing a) all CASF applicants applying under D 09-07-020 and b) parties on the service list of R.06-06-028 of the availability of the draft of this Resolution for public comments at the Commission's website <http://www.cpuc.ca.gov/static/documents/index.htm>. This letter also informed parties that the final conformed Resolution adopted by the Commission will be posted and will be available at this same website.

<sup>4</sup> The above schedule is contingent on the CASF recipient submitting clear, complete and error-free invoices to CD. Additional time to process payments may be necessary if CD finds problems with the submitted invoices.



On October 14, the following organizations filed comments and served them to the parties in the R.06-06-028 proceeding: California Broadband Cooperative and Inyo Networks, Division of Ratepayer Advocates, Senator Roy Ashburn, Board of Supervisors of Mono County, Board of Supervisors of Inyo County, City of Bishop, Town of Mammoth Lakes, Bishop Paiute Tribal Council, Superintendent of Bishop Schools, Mono County Tourism & Film Commission, and Northern Inyo Hospital.

Comments of parties and CD's responses are summarized below:

**1) Increase in CASF funding from 10% to 19%**

CBC and Inyo Networks requested a "good-cause waiver" from the CASF maximum grant for 10% of total project cost. As part of this request, CBC pointed out that the application which CBC and Inyo Networks originally submitted requested 19% (\$19,249,717) of the total project funding. They cited the following major reasons for their 19% request:

1. CBC's status as a newly formed cooperative does not appeal to private equity funding sources. They believe that the cooperative nature of the organization will serve the public interest, but will not enable private investors or private shareholders to profit from investing in the CBC. CBC's lack of financial history and non-profit status is another significant hurdle in qualifying for private debt financing.
2. CBC believes that without the additional 9% funding, the Digital 395 project would likely not be built.

DRA, in its reply comments opposed CBC's request to raise the Digital 395 Project's CASF grant from 10% to 19% for the following reasons:

1. The Commission has already determined in D.09-07-020 that CASF matching funds are limited to 10% for applicants who also apply for ARRA funding.
2. No party, including CBC, filed a Petition for Modification or Application for Rehearing of D.09-07-020, and that decision therefore binds the Commission.
3. If the Commission were to grant CBC's request, in conjunction with the ARRA's 80% subsidy, Digital 395's subsidy would approximate 100% of total costs. DRA believes that project sponsors must have some level of financial commitment to their projects, so they have an incentive to make them successful.

Nine other organizations from Inyo and Mono counties and State Senator Roy Ashburn served their comments on the Resolution service list. The sentiment of their comments is exemplified by the following comments from The Board of Supervisors of Inyo County:

"Decision 09-07-020 appears to provide your Commission with the ability to use the CASF to fund 20% of the proposed project cost; however, Resolution T-17232, as submitted, does not recognize the (9%) funding gap of \$9,145,295, which remains after

an 80% ARRA contribution....The gap cannot be filled through private investments due to the cooperative, non-profit operating model proposed. This funding gap is fatal to this once-in-a-lifetime opportunity for the underserved and unserved communities of Mono, Inyo, Eastern Kern and North West San Bernardino counties.... This absolutely is a once-in-a-lifetime opportunity. As a not-for-profit wholesale cooperative, the (Digital 395) project is different from other proposals....This project will never be built if not now. It is crucial to close the project's funding gap by revising Resolution T-17232. If the project is not fully funded, the opportunity will perish. Please revise Resolution T-17232 to fund the additional \$9,145,295 necessary to make Digital 395 a reality by approving funding in the amount of \$19,294,717 from the CASF for the CBC Digital 395 Middle Mile Project."

### Discussion of Comments

The Commission, in Decision D.09-07-020, states:

"Accordingly, based on these maximum funding levels available through ARRA (80%), we (The Commission), shall correspondingly modify the CASF matching requirements to achieve maximum leverage from the ARRA program. Specifically, for CASF applicants concurrently applying for ARRA funding, we shall only require such applicants to match up to 10% of the total project cost. We shall match such qualifying projects with an additional 10% of the project cost from CASF money, with ARRA covering the remaining 80% of the project cost." <sup>5</sup>

D.09-07-020 goes on to say:

"Otherwise, if an applicant does not seek to qualify for funding under the ARRA criteria, we shall continue to apply the previously adopted matching requirements of 40% of total project cost.

If an applicant receives a CASF matching grant of up to 10% contingent upon approval of an award of matching ARRA funds up to 90%, the actual amount of ARRA funding ultimately awarded may be less than what was requested, depending upon a variety of factors. In such situations where ARRA funds are awarded below the amount that the applicant has requested, we shall permit such applicants to reapply with the Commission for additional CASF funding up to a cumulative maximum of 40% of the project cost, or 50% of the requested ARRA funding that was denied, whichever is less. With this provision, applicants seeking both CASF and ARRA funding will not be disadvantaged in qualifying for the maximum available CASF funding merely because of potential funding limits in the ARRA program." <sup>6</sup>

In addition, OP 4 in D.09-07-020 states:

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<sup>5</sup> D.09-07-020, *mimeo* at page 11.

<sup>6</sup> *Id.*

“Applicants for CASF grants that are concurrently seeking ARRA funding shall only be required to provide a maximum match of 10% of the project cost. Such projects shall be eligible for matching funds of up to 10% of project cost from CASF money, on the condition that the remaining 80% of project cost is funded by ARRA money.”<sup>7</sup>

However, OP 7 in D.09-07-020 states:

“In situations where an applicant receives an award of up to 10% matching California Advanced Services Fund funds, but where matching American Recovery and Reinvestment Act funds are awarded below the amount that the applicant requested, such applicants shall be permitted to reapply with the California Public Utilities Commission for additional California Advanced Services Fund funding up to a cumulative maximum of 40% of the broadband project cost, or 50% of the requested American Recovery and Reinvestment Act funding that was denied, whichever is less.”

Thus we can determine that if the federal funding opportunity had never occurred and CBC had been able to raise 60% of the required capital they would have been requesting and received \$40,597,687 in CASF funding. This is an unlikely outcome in this situation, but illustrates the point that the Commission has committed itself to deploy broadband in unserved areas in its CASF program. This area is not likely to see substantial investment in broadband absent programs like BTOP and CASF. The fact that because of ARRA funding the CASF program is only being asked for half of what it normally would commit to a project like this is meaningful in our decision to fund the 19% of the project costs requested. In addition, we note that had CBC been a for-profit entity and requested Contribution in Aid of Construction (CIAC) that has been approved for other applicants,<sup>8</sup> the total cost of the project would increase to \$141,178,455 and a 10% CASF award would need to be increased by \$3,968,424. In addition, as discussed further below, the non-profit status of CBC is significant for not just reducing the initial award, but for the long-term consumer benefits for the consumers served by the middle mile project.

The Commission agrees that a successfully completed Digital 395 Middle Mile Project would be a tremendous asset for the impacted residents and businesses. Further, D.09-07-020 contemplates that CASF grants in conjunction with ARRA applications may not be limited to 10%. The Digital 395 Middle Mile Project presents a unique set of circumstances that were not contemplated at the time D.09-07-020 was decided. We believe the once-in-a-lifetime opportunity presented in the Digital 395 Middle Mile Project merit an exception to the CASF process adopted in D.09-07-020 and that the request to fund more

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<sup>7</sup> *Id.* at page 21.

<sup>8</sup> Some applicants have broken out the CIAC cost as a specific line item according to the tax factor established by using Method 5 as set forth in Decision No. 87-09-026 and modified by Decision No. 87-12-028 in OII 86-11-019. The formula used to compute Method 5 includes the following factors: (1) Corporate Tax rate of 35%, California Corporate Franchise Tax rate of 8.84%, and the effect of deducting state income taxes on the Federal Income Tax Return of 3.09%; (2) A discount rate of 12% and a pre-tax rate of return of 18% for 1987 and 17% for 1988 and forward. D.87-09-026, does allow for different methods for calculating CIAC. Most utilities use Method 5, though small water companies and small telephone companies often use Method 2. CIAC contributions have ranged from 21% of the CASF award up to 66% of the CASF award. Based on CBC’s filings we can determine that their additional CIAC award would be \$3,968,424 had it been a for-profit entity.

than 10% of the project cost should be granted herein. We shall modify the Commission's processes in order to grant this request for increased CASF funding.

We believe that the CBC request that CASF provide up to 19% of the funding for the Digital 395 Middle Mile Project should be approved for the following reasons:

- 1) D.09-07-020 allowed for funding of non-ARRA applications. While the Commission contemplated that CASF applicants requested more than 10% of the project costs would need to first be denied their additional funding request by NTIA, CBC made a reasonable evaluation that requesting more than 80% from the federal ARRA program would have resulted in the entire project being rejected due to the significant oversubscription of the federal funds available.<sup>9</sup> It was reasonable for CBC to not risk the entire project by requesting additional federal funds first before reapplying to the Commission for additional CASF funding.

In addition, the scope and scale of this project present a once-in-a-lifetime opportunity to connect an entire region of the state to the digital "superhighway". The CBC was created from a community consensus, led by the elected leadership of California's Eastern Sierra Counties, to establish a telecommunications alternative for the area. Historically underserved by communication providers; California's Eastern Sierra region is a high cost, rural area that the incumbent providers have been unwilling to invest in because of high construction cost and small market size when compared to larger urban areas. As a result, economic development has suffered and where available, its residents pay some of the highest prices in the state for broadband services.

The Cooperative's not for profit business model and lack of established financial history has made applying for traditional loan programs nearly impossible thus necessitating a 19% CASF grant match funding request. The loan program offered under the BIP program is a 50-50 grant/loan combination. Unfortunately due to the cost of the project and projected market demand it is not reasonable to believe the Cooperative's business model would be able to support this level of loan leverage without making the service offerings prohibitively expensive. While a lower loan amount of up to 10% could be serviced through operations, there is no private, state, or federal vehicle available to provide a loan of that amount. As noted earlier, requesting greater than an 80% grant from the ARRA program was also evaluated and ruled out because a federal hardship grant request at 90% would be rejected of due to the high demand for grant money.

In investigating other potential funding sources to fund the remaining 10% match gap CBC consulted with several possible lending sources. Among them were the Rural Telephone Finance Cooperative and the Rural Utilities Services (RUS) Broadband loans and Traditional telephone loan programs. In the case of the RTFC and RUS Telephone loan programs the Cooperative does not qualify as a "Rural Telephone Company" (i.e., dial tone provider) under the current RUS operational definition. While the Cooperative

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<sup>9</sup> NTIA and RUS received almost 2,200 applications requesting nearly \$28 billion in funding for proposed broadband projects, nearly seven times the amount of funds available in this round of funding. *See* NTIA & RUS Press Release of August, 27, 2009, available at [http://www.ntia.doc.gov/press/2009/BTOP\\_BIP\\_090827.html](http://www.ntia.doc.gov/press/2009/BTOP_BIP_090827.html).

would be eligible for a loan under the RUS Broadband Loan program, that program is currently in abeyance because they waiting for their loan regulations to be issued. A RUS field representative indicated that the timeframe on reinstating those loan regulations is undetermined. In all cases, the timeframes required to process these loan applications and have the loan commitment in hand were unable to be met due to the short time frame required for the ARRA grant proposal submission.

- 2) On an ongoing basis the non-profit financial structure of the CBC will ensure consumer benefits are sustained and service remains affordable. The CBC has not applied for funding of any kind before due to their recent incorporation and all work being performed on behalf of the Cooperative (such as the federal and State grant applications and the Cooperative's organization and incorporation) is being done on a voluntary basis.

Once constructed, the Digital 395 Network will be owned and operated by the CBC which is a member-owned cooperative. Membership is open to all wholesale level customers and prospective members are required purchase facilities or services in order to join the Cooperative. Potential cooperative members are Government, Education and Medical agencies, Telephone, Wireless, Cable TV, and Internet Service Providers. The minimum service level purchase required is 1.544 Mbps. To ensure a level playing field for all members; the Cooperative will operate using a "non-profit" business model with operating policies to determined by the Board of Directors. The Board of Directors will be drawn from the membership body and will be elected on the basis of one member, one vote. The Cooperative does not expect to charge an initiation fee for membership although this policy will be subject to the Board of Directors review.

- 3) Operated as an open network, The Digital 395 Network will fully comply with the principles in the FCC's Internet Policy Statement. The management of network facilities will not favor or discriminate based on service provider or applications.

The proposed service offerings on the network are: 1) Dark Fiber Interoffice facilities; 2) Point to Point Transport Service; 3) SONET Transport Service; 4) IP Ethernet Service and 5) Public Internet Access Service. There are no end user service offerings contemplated.

The intent of the Digital 395 open network design is to seek out interconnection opportunities and serve as many potential wholesale level customer requirements in the service areas as possible. The backbone network routing in the service areas is designed to closely pass as many potential member facilities as possible. Targeted locations included ILEC central offices, CATV headends, Wireless telephone and Internet Service Providers sites, Governmental Agencies, Educational and Medical Facilities. Interconnection with those facilities will be aggressively pursued by the Cooperative.

The Digital 395 network backbone will provide for 432 fibers. By creating a "fiber rich" environment that nearly any reasonable wholesale customer requirement for dark fiber facilities can be accommodated at a reasonable cost.

The Digital 395 Network will allow interconnection with other carrier facilities at any technically feasible point. Technically feasible points of interconnection include all network nodes, cable storage and splice boxes. Optical interconnection via a meet point splice will be supported and interconnection at SONET standard rates will be supported. Interconnection of Ethernet protocol will be supported subject to negotiation because service provider interconnection standards for this protocol are still under development.

The Digital 395 infrastructure will also allow rack collocation with protected power for interconnecting service provider transmission equipment at the core and aggregation nodes. In addition to the fiber based service providers provisions were also made to ease interconnection with wireless providers. The network nodes will all be equipped with 40' towers with multiple antenna mounts that will enable wireless signals to be terminated and interconnected onto the fiber optic middle mile facilities.

- 4) The Digital 395 Project will create over 1,100 jobs. This fulfills a primary objective of the ARRA stimulus grant and a reason why this Commission adopted new funding rules for CASF projects that were requesting ARRA funding.<sup>10</sup> Specifically the Digital 395 project will create 706 direct and indirect jobs and 397 induced jobs as calculated under the ARRA guidelines. In making recommendations to NTIA on projects that will best meet California's broadband goals that included the Digital 395 Project Governor Arnold Schwarzenegger said:

More than 12 percent of Californians are unemployed, while many others are underemployed and finding it necessary to supplement their current incomes. Now more than ever, a fast, reliable Internet connection is essential across the state, as jobs are often posted, filled and performed online. It is clear that the expansion of broadband infrastructure across California could be a key to our economic recovery.

A recent study by the Public Policy Institute of California showed that even among those who could have access to broadband in California, some minorities and those with limited English cannot afford the service or have not recognized the potential. California has an opportunity to improve the lives of our urban and rural, low-income residents through increased broadband availability and afford ability. Telecommunications providers in our state have done well in wiring urban areas, but need assistance to expand broadband to the unserved areas of California.

While it is vital to spurring economic development and creating jobs, adding broadband availability beyond the urban cores is also an extremely expensive proposition. This is one area where American Recovery and Reinvestment Act (ARRA) funding can have a direct and profound impact. Broadband providers, nonprofit organizations, community organizations, municipalities and county governments have all joined together to develop ARRA projects and programs that will address needs in unserved and underserved areas.

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<sup>10</sup> D.09-07-020, mimeo at 14

We could not agree more and believe that the Digital 395 Project is an exemplary, unique opportunity for California that should not be passed up.

- 5) In addition to the short and long term economic benefits, the addition of another fiber line in and out of California offers significant public safety benefits that factor into our decision. California currently has fiber routes to the north and east to connect to the rest of the country, the small number of north-south connections has been continual sources of concern for the sustainability of communication traffic should something happen in the state that severs one of the major fiber connections to the rest of the nation. The addition of a fiber line along California's eastern sierra region is a significant geographic diverse route that will add to our ability to maintain communication links in a disaster.

While any one of these factors alone would be significant, taken together, we find the Digital 395 Project is so unique an opportunity consistent with the goals of the CASF as enunciated by the Legislature in SB 1193 (Padilla) that we should deviate from the process laid out in D.09-07-020 and approve the request for CASF funding of 19% of the total costs and the request to modify the payment terms of the CASF to allow payments in \$2 million increments.<sup>11</sup> We base this deviation on the fact that the current level available for Small Business Administration (SBA) loans is \$2 million, and the SBA program is the likely source for CBC to obtain the initial funding capital to start the project. In addition, the CASF funding may be provided as the initial project payments as the federal funding requirements require that matching funds first be drawn upon before federal funding is utilized.

## 2) Lack of Transparency & Information

The Division of Ratepayer Advocates' comments are summarized below:

DRA expressed concern about the lack of transparency and detailed information provided with various applications and accompanying resolutions. DRA cites the following examples:

1. CASF Applications should be open and subject to public comment.
2. The Resolutions should better explain the projects and their costs
  - a. Project costs vary widely on a per household basis.
  - b. Project costs are confusing.
3. Service connection or service activation fees should be waived for projects built using CASF subsidies.

## Discussion of Comments

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<sup>11</sup> CASF funds may be awarded after the applicant has expended \$2 million, and for each \$2 million thereafter which will result in at least ten funding awards for CBC instead of the traditional 25% increments.

DRA's comments address transparency concerns involving confidentiality rules in the CASF process that the Commission established in prior decisions and a resolution. Specifically, D.07-12-054 and Resolution T-17143 set forth a CASF process by which carrier data in applications is treated confidentially, and D.09-07-020 extended and clarified those rules to CASF/ARRA applications. Since this resolution, however, addresses the approval of conditional funding for a specific applicant, it is not the proper forum to seek changes in the established CASF/ARRA process or rules. As such, it would be inappropriate and cumbersome to modify CASF/ARRA program rules in this resolution. To the extent DRA remains concerned with transparency, a petition to modify the prior Commission CASF decisions and Resolution T-17143 would be a more appropriate vehicle.

DRA has also raised concerns about the relative costs of this project and has requested a more thorough explanation of costs from the applicant as well as additional cost details. These comments are without merit, as the CASF/ARRA process relies on a competitive bidding process to keep an applicant's costs in check, rather than a cost reasonableness review requiring the applicant to justify details of specific costs to be spent. Under the established CASF/ARRA process, an applicant risks not receiving a CASF/ARRA award if its costs are too high and other carriers bid at lower costs. Notably no other communication provider stepped forward to offer an alternative application to serve the consumers along the route. All other concerns raised by DRA look to address issues with the CASF process in general and will not be addressed in this resolution affecting the review of a single CASF application.

### **Conclusion**

The Commission finds CD's recommended contingent CASF funds award for underserved areas for CBC's Digital 395 Middle Mile project, as discussed in this resolution and summarized in Appendix A, to be reasonable and consistent with Commission orders, and, therefore, adopts such award of 19% of the total project cost, or \$19,294,717.

The CBC's contingent funding is based on; (1) Inyo Networks, the fiscal agent, receiving a CPCN, (2) the CBC receiving ARRA funding, and (3) the Commission completing CEQA review. If Inyo Networks is unable to obtain a CPCN, the CBC is unable to receive ARRA funding and as a result will not build the Digital 395 Middle Mile project, then, the CBC should notify the CD Director so that CASF funds may be reallocated to other grants.



## Findings

1. The Commission finds Communications Division's (CD) recommended contingent California Advanced Services Fund (CASF) award for the underserved areas for the Digital 395 Middle Mile network as discussed in this resolution and summarized in Appendix A, to be reasonable and consistent with Commission orders and, therefore, adopts such award. The CASF was implemented by Decision (D.) 07-12-054.
2. The CASF was established as a two-year program that will provide matching funds of up to 40% of the total project costs for the deployment of broadband infrastructure in unserved and underserved areas in California.
3. Resolution T-17143, approved on June 12, 2008, adopts the application requirements and scoring criteria for the award of funds, a prescribed timeline for other filings and notifications including a projected Commission Meeting date for final approval of award(s).
4. As a member of the California Broadband Cooperative, Inyo Networks will serve as the fiscal agent for The California Broadband Cooperative, Inc.
5. Inyo Networks submitted its application (A.09-07-023) for a Certificate of Public Convenience and Necessity (CPCN) on July 16, 2009.
6. D.09-07-020 allows coordination of CASF grants with Federal grants under ARRA. Inyo Networks originally filed this CASF application, but on September 28, requested that it be transferred to the CBC with Inyo Networks serving as the fiscal agent.
7. The applicant is anticipating that ARRA will fund 80% of the total project cost, CASF will award 19% and the applicant will fund the remaining 1%.
8. The total project cost is \$101,494,218, with \$25,461,688 being materials and equipment and \$76,032,530 comprising the fully loaded installation and labor costs. CASF funds will be used to fund 19% of the total project or \$19,294,717.
9. The proposed CBC Digital 395 network will only offer wholesale middle mile services in an area that is underserved by middle mile wholesale broadband. Wholesale middle mile broadband services will be offered to all service providers, businesses and other entities in the serving area. No retail services will be offered.
10. CD found that the CBC Digital 395 will contain no access infrastructure equipment which transits through any of the served areas. Therefore, the CBC Digital 395 middle mile network will not have the capability to offer last mile service or to compete with existing or future last mile retail broadband networks.
11. A list of census block groups (CBGs) appeared by county on the Commission's CASF website page under the heading "UNDERSERVED areas proposed to be served as of July 17, 2009: Census Block Groups (CBGs)"
12. The Communications Division (CD) conducted its independent review and analysis of this California Broadband Cooperative project to verify that this is a middle mile project and that it will offer wholesale services to all service providers offering last mile broadband services to retail residential household customers.

13. Resolution T-17143 defines underserved as an area in which broadband is available but no facilities-based provider offers last mile broadband service at a speed of at least 3 mbps download and 1 mbps upload.
14. CD reviewed the application's eligibility in the underserved review phase through the analysis of required data submitted. These data include, but are not limited to: descriptions of current and proposed broadband infrastructure; geographic information system (GIS) formatted Shapefiles mapping the subject areas; assertion that the area is unserved; potential subscriber size and household incomes; project construction schedule; project budget; proposed pricing and commitment period for new subscribers; and, financial qualifications of the applicant.
15. CD reviewed the Shapefiles submitted with the application which mapped the proposed broadband deployment and compared these to maps prepared with data from the United States 2000 Census and the revised August 10, 2009 California broadband availability maps among others.
16. CD reviewed the CBC Digital 395 Middle Mile project, met with the applicant twice, and when necessary, requested additional information to clarify the project proposal. The applicant provided additional data and other information that clarified the CBC Digital 395 project proposal. Based on these discussions and CBC's discussions with county officials, CBC reduced the size of the network and reduced their total project cost from \$108,400,000 to \$101,494,218.
17. The Digital 395 project is subject to California Environmental Quality Act (CEQA) review. The Commission must complete California Environmental Quality Act (CEQA) review before dispersing CASF funds to Inyo Networks, fiscal agent for CBC for the construction of the proposed facilities. At this time, the physical components of this project are too speculative for the Commission to conduct meaningful environmental review. Inyo Networks or CBC should submit a Proponent's Environmental Assessment (PEA) to Commission staff as soon as the detailed project information is known.
18. CD recommends that the CBC Digital 395 Middle Mile project, contingent on CBC receiving ARRA funding and Inyo Networks receiving Commission approval of its CPCN application (A.09-07-023), be approved as it meets the requirements of CASF and the ARRA programs for funding for providing service to high cost areas that otherwise would not receive broadband service.
19. If the CBC is unable to obtain ARRA funding and does not build the Digital 395 middle mile project, or if Inyo Network is unable to obtain Commission approval of its CPCN application, then the CBC should notify the Director of the Communications Division that the project will not be built so that CASF funds may be reallocated to other grants.
20. CD recommends that the California Broadband Cooperative should not be required to post a performance bond as the 80% ARRA funding can be regarded as a secure source of capital funds and meets the Commission's capital budget requirement. Further, the withholding of 10% of the award, pending final a audit that the entire scope of work is completed will adequately protect the Commission's interests.

21. The Commission is deviating from the CASF process adopted D.09-07-020, and providing notice of that change along with an opportunity for others to comment on the proposed change given the unique non-profit financial structure, middle mile open-access network, large number of jobs, and public safety benefits the Digital 395 Middle Mile project provides to California consumers.
22. The Commission is also modifying the payment terms of the CASF to allow payments in \$2 million increments for CBC. CASF funds may be awarded after CBC has expended \$2 million, and for each \$2 million thereafter which will result in at least ten funding awards for CBC instead of the traditional 25% increments.
23. The Commission is also modifying the payment terms for CBC to provide CASF funding may as the initial project payments as the federal funding requirements require that matching funds first be drawn upon before federal funding is utilized.
24. If the ARRA grant is not received or if the grant is for less than 80% then the CBC could request additional funds in accordance with Ordering Paragraph No. 7 of D.09-07-020. The granting of further funding would be contingent on funds still being available in the CASF program.
25. A notice letter was emailed on September 29, 2009 informing: a) all CASF applicants filing under D 09-07-020 and, b) parties on the service list of R.06-06-028 of the availability of the draft of this Resolution for public comments at the Commission's website <http://www.cpuc.ca.gov/static/documents/index.htm>. This letter also informed parties that the final conformed Resolution adopted by the Commission will be posted and will be available at this same website.
26. Comments regarding the draft resolution were received and were included in the agenda version of the resolution.
27. A notice letter was emailed on November 3, 2009 regarding the alternate resolution informing: a) all CASF applicants filing under D 09-07-020 and, b) parties on the service list of R.06-06-028 of the availability of the draft alternate of this Resolution for public comments at the Commission's website <http://www.cpuc.ca.gov/static/documents/index.htm>. This letter also informed parties that the final conformed Resolution adopted by the Commission will be posted and will be available at this same website.
28. No comments were received regarding the Alternate Draft Resolution, as of November 23, 2009
29. The Commission finds CD's recommended contingent CASF award for underserved areas for the CBC Digital 395 Middle Mile project as discussed in this resolution and summarized in Appendix A to be reasonable and consistent with Commission orders and hereby adopts such award.

**THEREFORE, IT IS ORDERED that:**

1. The Commission shall award contingent funding of \$19,294,717 from the California Advanced Services Fund to Inyo Networks, fiscal agent for the California Broadband Cooperative for its Digital 395 Middle Mile project to provide service in an underserved area, as described in the discussion portion and Appendix A of this Resolution. The award is contingent on 1) Inyo Networks receiving Commission approval on its CPCN application (A.09-07-023), 2) the California Broadband Cooperative receiving an ARRA grant for 80% of the total estimated project cost, and 3) the Commission completing CEQA review.
2. The California Broadband Cooperative shall not be required to post a performance bond for its Digital 395 Project.
3. The California Broadband Cooperative Digital 395 Middle Mile project shall comply with all guidelines, requirements and conditions associated with the CASF funds award as specified in Resolution T-17143, D.09-07-020, and CEQA.
4. The California Broadband Cooperative may request payments in \$2 million increments from CASF instead of the 25% increments specified in Resolution T-17143 and D.09-07-020.
5. The California Broadband Cooperative may request payments from CASF as initial project payments as the federal funding requirements require that matching funds first be drawn upon before federal funding is utilized.
6. The California Broadband Cooperative shall notify the Director of the Communications Division of the disposition of 1) its ARRA application for the Digital 395 Middle Mile project, and 2) Inyo Networks' application for a CPCN and work with the Commission's staff to complete CEQA review of the project.
7. CBC shall submit a Proponent's Environmental Assessment (PEA) to Commission staff as soon as the detailed project information is known.
8. If the CBC Digital 395 Middle Mile project will not be completed, then the California Broadband Cooperative shall notify the Director of the Communications Division so that the committed CASF funds may be reallocated for other grants.
9. The program fund payment of \$19,294,717 for the Commission-approved underserved project shall be paid out of the CASF fund in accordance with the guidelines adopted in Resolution T-17143 and D.09-07-020 and Resolution T-17233.
10. Payments to Inyo Networks, Inc, fiscal agent for the California Broadband Cooperative for The California Broadband Cooperative Digital 395 Middle Mile project, shall be in accordance with Section IX of Appendix A of Resolution T-17143 and in accordance with the process defined in the "Payments to CASF Recipients" section of this Resolution.

## **Dissent of Commissioner Bohn to Res. T-17232**

I do not support this resolution. While I support the extension of broadband access widely throughout California, and the benefits such access can provide, I do not believe it is reasonable or prudent to grant CASF funding beyond the standard of 10% of total project costs adopted in D.09-07-020.

I am a firm believer that any applicant seeking funding under CASF should have enough “skin in the game” to demonstrate that expenditures of other peoples’ money are worth their personal engagement and commitment to ensure that projects are completed in the most cost effective manner. While I have not always agreed that even requiring applicants to fund at least 10 percent of total project cost demonstrates sufficient commitment, there have always been other requirements and circumstances to ensure that applicants will meet their obligations. We have set up generous rules to facilitate obtaining ARRA funding in addition to ratepayer funding. Our rules require 10% “good faith” money to be leveraged 10 times by contributions from ratepayers and tax payers. Surely that is not unreasonable.

Here, the CBC is seeking to receive 99-percent of the funds necessary to construct the Digital 395 Middle Mile project from CASF and ARRA, and will only put up 1-percent of project costs, roughly 45 cents per month per service unit. That is leverage of 100 times! Businesses in the area will do the work, and jobs will be created, all local benefits. Further, the CBC will not be required to post a performance bond. Instead, the alternate resolution states that the 80% ARRA funding can be regarded as a secure source of capital funds. With no significant financial stake in the Digital 395 Middle Mile project, how can we be assured that the CBC is committed to fulfilling its oversight obligations under the CASF program?

The alternate resolution states that the CBC would not be able to secure private sources of financing due to its non-profit status and lack of financial history. The record contains scant evidence that the CBC made serious efforts to obtain such funding and that it has been turned down. If the CBC Digital 395 project is as valuable to the community as claimed, it is hard to believe that this large area does not have sufficient bonding capacity, or a bank, insurance company, or foundation to provide the financing. In fact, I question why some of the potential cooperative members of the CBC - telephone, wireless, cable TV, and internet service providers - have not stepped up to invest in this project.

The Digital 395 Middle Mile Project presents an ideal opportunity to connect an entire region of the state to the digital superhighway. Still, I do not agree that the circumstances in this application warrant deviating from the requirement that an applicant fund 10% of a project's cost. Regardless of whether this application and applicant represent a unique situation, the applicant must have some appreciable level of financial commitment as an incentive to make the Digital 395 Middle Mile Project succeed. I do not believe allowing the CBC to fund 1% of a \$100 million project shows sufficient commitment. This may be the holiday season, but I cannot be as generous as my fellow Commissioners with the ratepayers' money.

CD/MBP

CD/MBP

This Resolution is effective today.

I hereby certify that this Resolution was adopted by the Public Utilities Commission at its regular meeting on December 3, 2009. The following Commissioners approved it:

/s/ Paul Clanon

PAUL CLANON  
Executive Director

MICHAEL R. PEEVEY  
President  
DIAN M. GRUENEICH  
RACHELLE B. CHONG  
TIMOTHY ALAN SIMON  
Commissioners

I will file a dissent

/s/  
John A. Bohn  
Commissioner



**APPENDIX A**  
**Resolution T- 17232**  
**The California Broadband Cooperative -**  
**Digital 395 Middle Mile Network Key Information**

<b>1</b>	<b>Project ID</b>	California Broadband Cooperative Middle Mile	
<b>2</b>	<b>Project Name</b>	Digital 395 Middle Mile	
<b>3</b>	<b>Project Plan</b>	The CBC Digital 395 is a proposed 448 mile network that would provide wholesale middle mile broadband / backhaul network between Northwest Mono County, at the Nevada border, down through Inyo and Kern Counties, terminating at Barstow in Northwest San Bernardino County.	
<b>4</b>	<b>Project Size (in square miles)</b>	965	
<b>5</b>	<b>Download speed</b>	100 mbps up to Gigabit Ethernet	
<b>6</b>	<b>Upload speed</b>	100 mbps up to Gigabit Ethernet	
<b>7</b>	<b>Location</b>	Mono, Inyo and Eastern Kern Counties, North Eastern San Bernardino	
<b>a)</b>	<b>Community Name</b>	Topaz, Coleville, Bridgeport, Mono Lake, June Lake, Crowley Lake, Benton, Mammoth Lakes, Bishop, Big Pine, Independence, Lone Pine, Cartago / Olancho, Boron, China Lake, Ridgecrest, Inyokern, Johannesburg, Kramer Junction, Red Mountain	
<b>b)</b>	<b>CBGs / Household Income</b>		
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		60510001002	
		60510001003	
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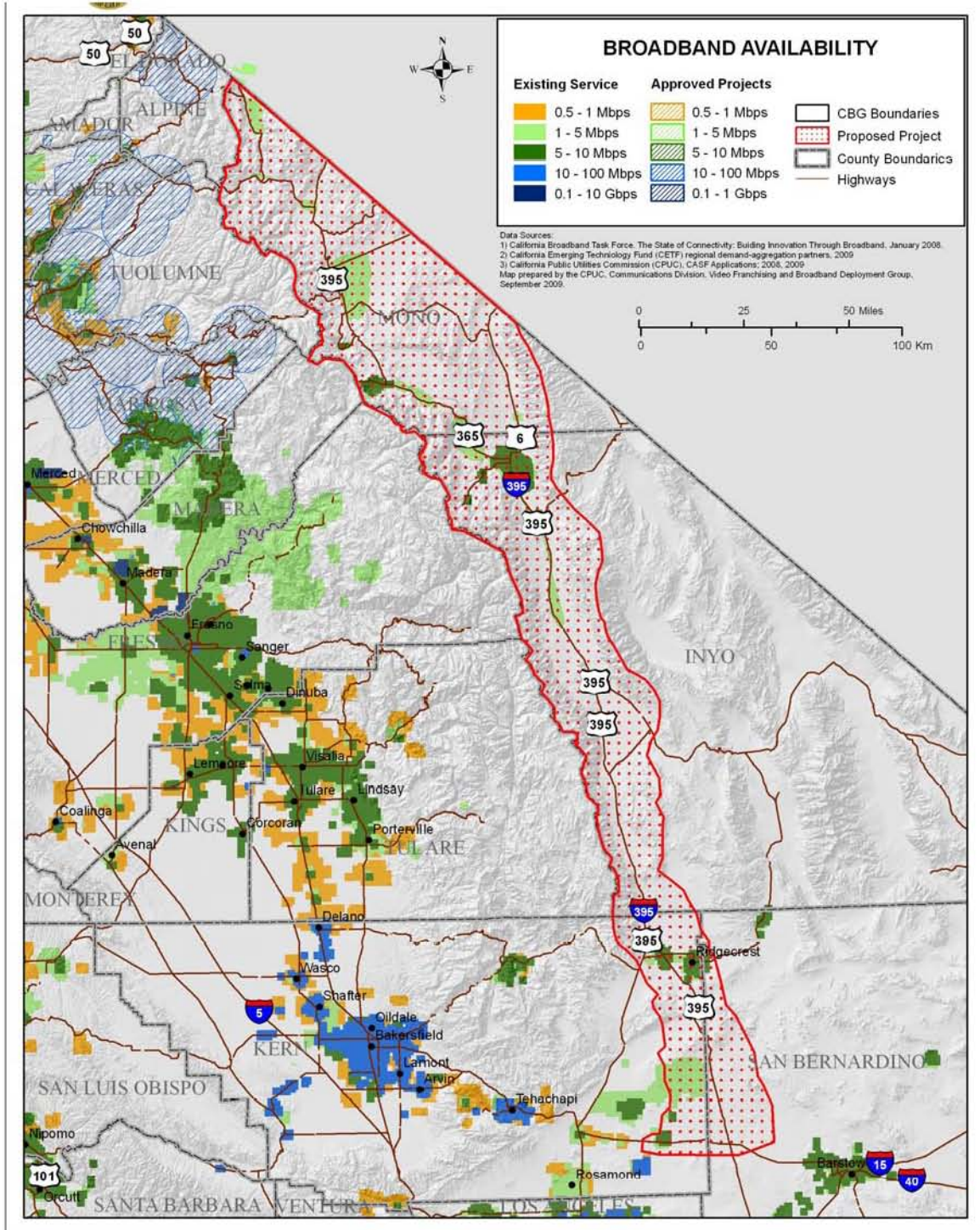
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		93282	
		93240	
		93527	
		93559	
		93505	

<b>8</b>	<b><i>Estimated Potential Subscriber Size</i></b>		
<b>a)</b>	<b><i>Households</i></b>		
<b>9</b>	<b><i>Deployment Schedule (from Commission approval)</i></b>	24	
<b>10</b>	<b><i>Proposed Project Budget</i></b>		
	<b><i>CASF (19%)</i></b>		
	<b><i>CIAC</i></b>	N/A	
	<b><i>Amount of CASF Funds Requested</i></b>		

## APPENDIX A

### Resolution T- 17232

### The California Broadband Cooperative - Digital 395 Middle Mile Network Shapefile



# APPENDIX A

## Resolution T- 17232

### Statewide Proposed Project Map for The California Broadband Cooperative - Digital 395 Middle Mile Network





## OFFICE OF THE STATE CHIEF INFORMATION OFFICER

Teri Takai  
California Chief Information Officer

March 25, 2010

Mr. Robert Volker  
President and CEO  
California Broadband Cooperative, Inc.  
1101 Nimitz Avenue  
Vallejo, CA 94592

Dear Mr. Volker:

Regarding your Digital 395 Middle Mile project, I wanted to assure you that the Office of the CIO appreciates the efforts that you and others involved in the project are making to bring broadband to rural parts of California. In talking with many of the local elected officials in the area, we are aware of the communications challenges in the Eastern Sierra. Not only does the area have significant broadband needs, but we are also aware of issues with E-911 and other public safety communications problems.

My office has been in touch with federal agencies on the National Environmental Protection Agency (NEPA) requirements. We hope to similarly streamline the California Environmental Quality Act (CEQA) processes here in California as they pertain to the Digital 395 project. In this regard, we have been working with the Governor's office and other agencies to coordinate permitting to meet the American Recovery and Reinvestment Act of 2009's (ARRA) build-out timeframes. Once BTOP funding status is clear, we will work with you to move the project forward by assembling the local, state and federal parties for a focused effort.

We look forward to partnering with you on this important project aimed at bringing broadband to a significant region that the Governor's Broadband Taskforce identified in its 2009 Report. It is an important policy objective of my office to help California achieve those broadband goals.

Sincerely,

Teri Takai  
State Chief Information Officer

**DEPARTMENT OF TRANSPORTATION**

District 9  
500 South Main Street  
Bishop, California 93514  
PHONE (760)872-0602  
FAX (760)872-5225  
TTY 711 (760) 872-0602



*Flex your power!  
Be energy efficient!*

March 12, 2010

Robert W. Volker, CEO  
California Broadband Cooperative, Inc.  
1101 Nimitz Avenue  
Vallejo, California 94592

Dear Mr. Volker:

The California Department of Transportation (Caltrans) recognizes the potential benefits that could be realized with the expansion of broadband to rural communities in the underserved areas of California. In addition, Caltrans may be interested in the availability of improved connectivity for assorted intelligent transportation system projects as well as the providing of wireless internet at various safety roadside rest areas.

Caltrans is aware that you are proposing for much of the fiber cable to be installed within the State Right of Way. We look forward to working with you throughout the encroachment permit process.

Sincerely,

A handwritten signature in black ink that reads "Craig A. Holste".

CRAIG A. HOLSTE  
Deputy District Director  
Maintenance and Traffic Operations  
District 9



# Communications Workers of America Local 9400

AFL-CIO, CLC

7844 Rosecrans Avenue, Paramount CA 90723-2296 562.259.9400 562.633.0536 Fax CWA9400@pacbell.net

Micheal J. Hartigan  
President

March 23, 2010

Mr. Robert Volker  
CEO, California Broadband Cooperative, Inc.  
1101 Nimitz Avenue  
Vallejo, California 94592

Dear Mr. Volker,

This letter is a follow-up to discussions between the Communications Workers of America (CWA) Local 9400 regarding staffing plans for the Digital 395 project in the Eastern Sierra. CWA looks forward to working with California Broadband Cooperative, Inc. (CBC) and our continued relationship with Praxis Optical Networks, Inc.

Based on collaboration, it is clear that the work required to construct Digital 395 will involve skilled telecommunications people. As you know, CWA has developed a technical training program for telephone technicians. As discussed in your meeting with Bill Demers, CWA Local 9400 President in September 2009, we are prepared to Partner with CBC to assist in further development of this program for its application to the project. [REDACTED]

While we are very supportive of the regional goals of Digital 395, we are especially excited about [REDACTED] to the local unemployment issues in that portion of the state, where [REDACTED] of the workforce is unemployed. As you are aware, CWA has been extremely supportive of the American Recovery and Reinvestment Act's broadband initiative and participated in the framing of the legislation. We believe the CBC approach in developing local employment in job skills are in keeping with the intent of the legislation. For this reason, we are very supporting and intend to partner with you in staffing the project.

If you have any questions, please contact me on my cell at [REDACTED] or via e-mail at [REDACTED]

Sincerely,

Alex Rooker

Director of Governmental Relations and Legislative Affairs  
Communication Workers of America, Local 9400

cc.: William Demers





## BOARD OF SUPERVISORS COUNTY OF INYO

P. O. BOX N • INDEPENDENCE, CALIFORNIA 93526  
TELEPHONE (760) 878-0373 • FAX (760) 878-2241  
e-mail: pgunsolley@inyocounty.us

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PATRICIA GUNSOLLEY  
*Assistant Clerk of the Board*

Mr. Robert Volker, CEO  
California Broadband Cooperative, Inc.  
1101 Nimitz Avenue  
Vallejo, CA 94592

SUBJECT: IN-KIND SUPPORT FOR THE DIGITAL 395 PROJECT

Dear Mr. Volker:

The Board of Supervisors of the County of Inyo, California, supports the Digital 395 Project in recognition of the overwhelming public benefits the Project will provide to our communities. These benefits include, but are not limited to the creation of local jobs and general support of the local economy, overcoming the “digital divide” enabling residents, visitors, and business to have access to contemporary “21<sup>st</sup> Century technology,” and providing the technical infrastructure necessary to have the opportunity to attract new businesses to our County far into the future.

As a member of the California Broadband Cooperative, the County would provide an array of in-kind services to support development of the Project. Understandably, until Project details and needs become more refined, and the Federal-portion of the Project funds secured, the County is precluded from making absolute commitments in advance. However, the following is offered as a representative sampling of the type of support the Board of Supervisors is willing to consider contributing to the Project: road easements, node easements, long-term leases, equipment storage and staff support

In addition, the County may be in a position to make other contributions as needs are identified, or as otherwise maybe necessary to help ensure the matching requirements for the Project are met.

Please contact Brandon Shults, Information Services Director at (760) 878-0314 or by e-mail at bshults@inyocounty.us should you have any questions or require clarification.

Sincerely,

Supervisor Beverly Brown  
Chairperson



December 12, 2009

Mr. Robert Volker  
CEO  
California Broadband Cooperative, Inc.  
1101 Nimitz Avenue  
Vallejo, California 94592

Dear Mr. Volker,

Thank you for your interest in partnering with Inyo Networks, Inc. to provide Management Services for the operational phase of the California Broadband Cooperative's (CBC) Digital 395 network.

The Inyo Networks staff has a very good understanding of the Digital 395 project and the Eastern Sierra market, based on work that has been done with the County of Inyo for the past five years. We have an extensive set of contacts throughout the region, the local community leadership notwithstanding. We believe we understand well the local needs and uniqueness of the area.

As you know, the Inyo Networks staff has significant experience developing, constructing and operating local and long-route fiber networks. We look forward to assisting CBC in setting up and documenting business operations to insure organizational readiness for this network and to assure high quality customer service for the contracted period.

Per mutual agreement, upon the finalization of State and Federal funding of the project, Inyo Networks will finalize details and enter into contract with CBC to provide Management Services. For the time being, we have provided you with an operating plan and a detailed budget estimate, which you can include in your financial projections.

Please let me know if you have any questions on 707-551-8220

Best Regards,

Michael T. Ort  
President and CEO



## INFORMATION TECHNOLOGY COUNTY OF MONO

---

P.O. BOX 556, BRIDGEPORT, CALIFORNIA 93517  
(760) 932-5500 • FAX (760) 924-1685 • gnewbry@mono.ca.gov

Mr. Robert Volker  
CEO  
California Broadband Cooperative, Inc.  
1101 Nimitz Avenue  
Vallejo, CA 94592

December 14, 2009

Dear Mr. Volker,

Along with Inyo and Kern Counties, U. S. Highway 395 traverses its way from Southern California to the Oregon boarder and beyond. This unique national security corridor encompasses some of the most visited and scenic recreation areas in the nation. Its continued economic success is dependent on the constantly increasing necessity of bandwidth for education, business and visitation. The Digital 395 project will provide the life line we currently need for health and safety along with the tools to build quality of life long into the future for residents and visitors alike.

Mono County pledges to California Broadband Cooperative, Inc. "in-kind" contributions of not less than [REDACTED] for the Digital 395 project. As required, applicable records of "in-kind" contributions will be retained and available for review at anytime. In-kind services will be a combination of, but not limited to: short and long term leases for equipment, nodes, construction and facilities, office space, permit fee relief, staff time etc. as currently identified in the proposed Digital 395 project. Estimates for these resources have been made by Mono County using actual cost or equivalent market rates. Mono County will document and use similar methodologies to assign values resources as they are deployed.

Should you have questions, or if I can be of service, please contact me at any time.

Sincerely,

A handwritten signature in cursive script, appearing to read "Greg Newbry".

Greg Newbry  
Mono County I.T.  
P. O. Box 7657  
Mammoth Lakes, CA 93546  
gnewbry@mono.ca.gov  
(760) 924-1685 D  
(760) 937-5391 C



JIM GIBBONS  
Governor

STATE OF NEVADA  
DEPARTMENT OF TRANSPORTATION

1263 S. Stewart Street  
Carson City, Nevada 89712

SUSAN MARTINOVICH, P.E., *Director*

In Reply Refer to:

March 3, 2010

Robert W. Volker, CEO  
California Broadband Cooperative, Inc.  
1101 Nimitz Avenue  
Vallejo, California 94592

Project Name: Digital 395  
Easy Grant Number: 5569

The Nevada Department of Transportation (NDOT) is in support of the Digital 395 Project. The improvement and creation of network connectivity along this rural underserved and unserved area will provide direct improvement to the traveling public and to public safety. The additional connectivity would benefit the ability for public safety radio communication, intelligent transportation systems, and NDOT operations. This is in area that, while rural, has a high level of importance on the transportation network to Nevada and the Nation.

NDOT intends to work collaboratively with you to make this network a viable and ongoing operation. Some possibilities include fiber or conduit swaps, availability of dark fiber to complete respective networks, and availability of rights-of-way.

For intelligent transportation systems (ITS) the ability to provide reliable, real time information on rural road conditions to NDOT operations and to the traveling public would be possible with this project. The ITS devices supported include such items as roadway weather systems, message signs, chain control signs, traffic data collection devices, dust warning signs, highway advisory radios and cameras.

The NDOT endorses the approval of the Digital 395 Project.

Sincerely,

A handwritten signature in blue ink, appearing to read "Robert Chisel".

Robert Chisel  
Assistant Director, Administration



[REDACTED]

December 17, 2009

Mr. Robert Volker  
Chief Executive Officer  
California Broadband Cooperative Inc.  
1101 Nimitz Ave  
Vallejo, CA 94592

Dear Mr. Volker;

[REDACTED] is pleased to provide a matching fund commitment of up to [REDACTED] to California Broadband Cooperative Inc. to aid in the construction of the Digital 395 project.

This funding amount includes a contingency amount of [REDACTED] necessary to address any shortfall between the project budget and the preliminary in kind commitments received from the Counties of Mono/Inyo and Kern. We understand that the receipt of any such in kind support from the Counties would be contingent on the Counties' reviewing and approving the specific in-kind contributions in accordance with the Counties' established procedures for same.

[REDACTED] or more loans to the California Broadband Cooperative Inc. in accordance with the attached [REDACTED] dated December 17, 2009.

Please contact me if you have any questions regarding this matter.

Sincerely,



Michael T. Ort  
Chief Executive Officer

Attachment

[REDACTED]

MASTER LOAN AGREEMENT

[REDACTED]

12 Pages

Withheld in their entirety  
pursuant to FOIA Exemption 4  
(5 U.S.C. § 552 (b)(4))

## Digital 395 Middle Mile

Easygrants: 5569

### Letters of Support

Bishop Fire Department

Bishop Tribal Council

Bridgeport Ranger District - Department of Agriculture

California Emerging Technology Fund- Secretary U.S. Department of Agriculture

California Labor Federation

California Legislature – 18th Senate District

California Legislature – Multiple Districts

California Legislature – 34th District

City of Bishop – Mayor

Correct Connection

CWA Local 9400

Douglas County Board of Commissioners

House of Representatives – Member of Congress

Inyo County Board of Supervisors

Inyo County Department of Health & Human Services

Inyo County Sheriff

June Lake Fire Protection District

June Lake Public Utility District

Kern County First District Supervisor

Kern County Information Technology Director

Mammoth Hospital

Mammoth Lakes Foundation

Mammoth Unified School District

Mono County Board of Supervisors, Vice Chair

Mono County Board of Supervisors, Chairman

Mono Chamber of Commerce

Mono County Information Technology Director

Mono County Office of Education

Mono County Supervisor, District Two

Mono County Tourism & Film Commission

NPG Cable, Inc.

Sierra Sands Unified School District

Tule River Tribal Council

United States Department of Interior

United States Marine Corps MWTC





# *BISHOP FIRE DEPARTMENT*

P.O. Box 1236, Bishop, CA 93515  
(760) 873-5485

Ray G. Seguire, Fire Chief

California Public Utilities Commission  
505 Van Ness Avenue  
San Francisco, CA 95105

July 1, 2009

To Whom It May Concern:

SUBJECT: LETTER OF SUPPORT FOR THE DIGITAL 395 PROJECT

The Bishop Fire Department supports Inyo County's efforts to bring high speed broadband into Inyo County.

The vast majority of the telecommunication available in the region is a single communications link. Complete failure of this link has occurred several times over the past few years and, as a result 911 has gone down for several hours which could delay public safety agencies providing vital services; in fact, communication beyond a given local community is limited or impossible when this occurs.

It is for this reason, we support the project.

Sincerely,

Ray Seguire  
Fire Chief



# BISHOP TRIBAL COUNCIL

October 14, 2009

Commissioners  
Public Utilities Commission of the State of California  
505 Van Ness Avenue  
San Francisco, CA

Dear Commissioners:

The Bishop Paiute Tribe is honored to voice the strongest possible support for the California Broadband Cooperative and its Digital 395 Project under the American Recovery and Reinvestment Act's Broadband Initiative.

Telecommunications infrastructure presently serving the Eastern Sierra faces so many challenges that technology routinely serving the rest of California remains unavailable in Inyo County. The result is that every aspect of community development is severely limited. The proposed Digital 395 network offers an economic lifeline to a region with few development opportunities.

Every societal component of the Eastern Sierra region of Inyo and Mono Counties—commercial, educational, healthcare, military, judicial, public lands management and more—all will be served by Digital 395. It is realistic to expect that regional economic activity will be substantially enhanced with a contingent elevation in the standard of living of our citizens.

Our particular concern is that the Paiute-Shoshone people of the seven Tribes of Inyo and Mono counties achieve high-speed broadband access in such a manner that Tribal communities enjoy the enhanced quality of life that state-of-the-art telecommunications has brought to the rest of California. The California Broadband Cooperative's Digital 395 proposal represents a timely remedy.

Sincerely,

Glenn Hall  
Chief Executive Officer



United States  
Department of  
Agriculture

Forest  
Service

Humboldt-Toiyabe  
National Forest

Bridgeport Ranger District  
HC 62 Box 1000  
Bridgeport, CA 93517  
(760) 932-7070 Fax (760) 932-5899

File Code: 1570


Date: JUL - 8 2009

Bill Reid, Chairman  
Mono County Board of Supervisors  
P.O. Box 715  
Bridgeport, CA  
93517

Dear Bill:

Thank you for bringing me a copy of the summary of Mono County's "Digital 395 Project". After reviewing the idea behind your proposal, I concur that improving the digital connections in this area will benefit the community. The Bridgeport Ranger District employees over 50 people year-round and seasonally. Providing cheaper access to broadband, high speed internet and other digital services will benefit the quality of life for Forest Service employees. In past years, my employees have pooled their financial resources to access the internet from our Forest Service compound. This proposal would make internet access easier for them. In addition, I hear from many of our Forest visitors that they would like to access internet and have better digital communications while out recreating on the Bridgeport District. This proposal would improve the quality of life for my employees, Forest visitors and the community. Thank you for giving me the opportunity to review this project.

Sincerely,



Cheryl F. Probert  
District Ranger

Cc: Duane "Hap" Hazard





CHAIRPERSON  
**Michael R. Peevey**  
President  
California Public Utilities Commission

SECRETARY  
**Dr. Barbara O'Connor**  
Professor  
California State University, Sacramento

TREASURER  
**Rich Motta**  
Consultant & Retired Vice President  
AT&T

**Jeff Campbell**  
Director, Technology & Trade Policy  
Global Policy & Government Affairs  
Cisco Systems, Inc.

**The Honorable Martha M. Escutia**  
Former California State Senator  
Partner  
Manatt | Phelps | Phillips

**Joe Gross**  
President & CEO  
Sustainable Systems, Inc.

**Barbara Johnston**  
Executive Director  
Medical Board of California

**Jim Kirkland**  
General Counsel  
Trimble Navigation Limited

**Ross LaJeunesse**  
Head of State Policy, Western U.S.  
Google, Inc.

**The Honorable Lloyd Levine**  
Assemblymember  
State of California

**Sam Overton**  
President  
City of Los Angeles  
Commission on Disability

**Carol Whiteside**  
Founder and CEO Emeritus  
Great Valley Center

PRESIDENT & CEO  
**Sunne Wright McPeak**  
California Emerging Technology Fund

CALIFORNIA EMERGING TECHNOLOGY FUND  
WWW.CETFUND.ORG

The Hearst Building  
5 Third Street, Suite 520  
San Francisco, CA 94103  
415-744-CETF (2383)

1000 N. Alameda Street, Suite 240  
Los Angeles, CA 90012  
213-346-3222

August 19, 2009

The Honorable Tom Vilsack  
Secretary, U.S. Department of Agriculture  
U.S. Department of Agriculture  
1400 Independence Ave., S.W.  
Washington, D.C. 20250

California Emerging Technology Fund (CETF) supports the California Broadband Cooperative, Inc. "Digital 395" project request to the Department of Agriculture (USDA) Rural Utilities Service (RUS) for American Recovery and Reinvestment Act of 2009 (ARRA) funding under the Broadband Initiatives Program (BIP).

CETF provides leadership statewide to minimize the Digital Divide by accelerating the deployment and adoption of broadband and other advanced communication services to unserved and underserved communities. We have worked with California Broadband Cooperative, Inc. on their application to build-out a fiber middle-mile solution along Highway 395 with strategic access points that could be utilized by Internet Service Providers (ISPs) for last mile broadband service. This compliments the mission of CETF to increase broadband demand and adoption in California while making the State more competitive.

Due to the rural region's very low population density, large geographic area, and limited financial investment support, it is highly unlikely that such a project could be undertaken without significant Federal or State investment in critical infrastructure links. BIP or BTOP are existing sources of funds that could immediately address the region's limited middle-mile communication infrastructure needs.

This deployment will be instrumental in overcoming the barriers to broadband adoption and improving the quality of life in a very rural region of California. It is my pleasure to express support for the California Broadband Cooperative, Inc. proposal through BIP.

Sincerely,

Sunne Wright McPeak  
President and CEO

cc: Senator David Cox  
Supervisor Duane Hazard, County of Mono, California



California Labor Federation | AFL-CIO

[www.workingcalifornia.org](http://www.workingcalifornia.org)

**Headquarters:** 600 Grand Ave  
Suite 410  
Oakland, CA 94610-3561

510.663.4000 tel  
510.663.4099 fax

1127 11th St  
Suite 425  
Sacramento, CA 95814-3809

916.444.3676 tel  
916.444.7693 fax

3303 Wilshire Blvd  
Suite 415  
Los Angeles, CA 90010-1798

213.736.1770 tel  
213.736.1777 fax

March 18, 2010

The Honorable Lawrence E. Strickling  
Assistant Secretary  
National Telecommunications and Information Administration  
U.S. Department of Commerce  
1401 Constitution Avenue, N.W.  
Washington, D.C. 20230

**RE: Support for Digital 395 (Project 5569)**

Dear Mr. Strickling,

On behalf of the 2 million members of the California Labor Federation, I write you in support of Digital 395, being submitted by the California Broadband Cooperative, Inc. (CBC) to the Broadband Technology Opportunity Project. CBC is a new entity that will develop and operate a fiber optic network in the Eastern Sierras of California.

The area that this network will serve is a region of California that is vulnerable to communication outages (including 911, wireless and landline telephony) and is poorly served with broadband. It represents nearly 15% of the land area of California.

The Digital 395 project will install over 450 miles of fiber optic cable connecting all the communities in the region to the outside world. This project is a major investment in long-term communications infrastructure in an area of California that has little access to communications. It will serve as a stimulus for further public and entrepreneurial broadband investment and lay the foundations for a world-class infrastructure that can compete in the global economy. This project will provide vital communications links between the northern and southern regions of both California and Nevada.

Communications infrastructure is critical for long-term economic growth in California. The state has been hard hit by the economic recession and is in desperate need of an economic recovery. There are over 2 million Californians looking for work every day in this state. The Digital 395 Project lays the foundation for economic growth and provides an immediate economic boost in the form of badly-needed jobs. The

We strongly support the Digital 395 Project and ask for your support as well.

Sincerely,

Art Pulaski  
Executive Secretary-Treasurer

SF:em  
opeiu3aff(31)em



# California State Senate

ROY ASHBURN  
SENATOR, 18TH DISTRICT



July 8, 2009

Commissioner Rochelle Chong  
California Public Utilities Commission  
505 Van Ness Avenue  
San Francisco, Ca 95105

Dear Commissioner Chong, *Rochelle*

I am writing this letter, asking for your support of the Digital 395 Project, which will expand broadband services to underserved communities in California's Sierra region.

California's significant digital divide is fueled by access and affordability disparities across regional and income lines. While our state leads in broadband access nationwide, 1.4 million mostly rural Californians lack broadband access at any speed. Without broadband technology, the Sierra region and the communities within it fail to benefit from the technological innovations in health, education, public safety, and economic development.

Project 365 will help to improve the quality of life for residents of the Eastern Sierra Region.

I ask for your support. If you have any questions, please do not hesitate to contact me.

Best regards,

*Roy*

ROY ASHBURN  
Senator  
18<sup>th</sup> District

*Your help with this project is greatly appreciated!*

cc: Chief of Staff, Robert Haga

# CALIFORNIA LEGISLATURE

STATE CAPITOL  
SACRAMENTO, CALIFORNIA  
95814

March 16, 2010

The Honorable Lawrence E. Strickling  
Assistant Secretary  
National Telecommunications and Information Administration  
U.S. Department of Commerce  
1401 Constitution Avenue, N.W.  
Washington, D.C. 20230

RE: Support for Digital 395 (Project 5569)

Dear Secretary Strickling:

As members of the California Legislature, we write in support of a Broadband Technology Opportunity Program (BTOP) project being submitted by the California Broadband Cooperative, Inc. (CBC). The Cooperative is a new entity, well staffed by experienced personnel, that will develop and operate a fiber optic network in the Eastern Sierra Nevada range. The area that this network will serve is a region of California that is vulnerable to communication outages (including 911, wireless and landline telephony) and is poorly served with broadband. It represents nearly 15% of the land area of California.

Prior to CBC filing its application with the National Telecommunications and Information Administration (NTIA), the California Public Utilities Commission (CPUC) conducted an extensive review of the Digital 395 Project prior to recommending it for a California Advanced Services Fund (CASF) matching grant. The Digital 395 Project was awarded a nearly 20% CASF award in recognition of the region's unique needs, constraints on local government resources and the State's economic development policy. This decision, widely encouraged by members of the Legislature and key appointed officials, was envisioned to leverage federal economic stimulus funds.

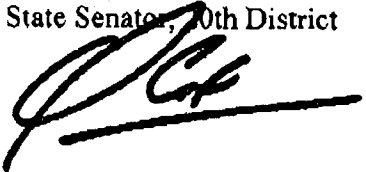
We respectfully urge the NTIA to fund the Digital 395 project. This important project will install over 450 miles of fiber optic cable and will provide vital broadband infrastructure to areas of California that are currently unserved or underserved, stimulating broadband use and diversifying the regional economy by creating reliable information services infrastructure. Most importantly, this project will also bring immediate and tangible economic stimulus by creating over 1,000 jobs over two years.

Thank you for your consideration on this matter. Please feel free to contact us if you need any further information.

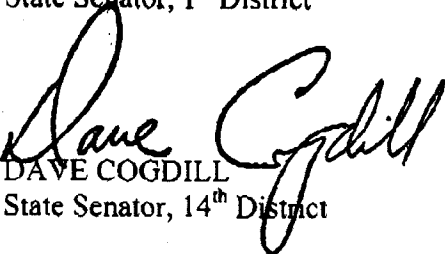
Sincerely,



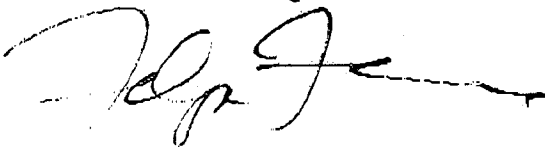
ALEX PADILLA  
State Senator, 10th District



DAVE COX  
State Senator, 1st District



DAVE COGDILL  
State Senator, 14th District



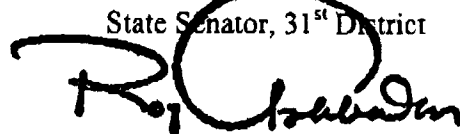
FELIPE FUENTES  
Assemblymember, 39th District



TOM BERRYHILL  
Assemblymember, 25th District



ROBERT DUTTON  
State Senator, 31st District



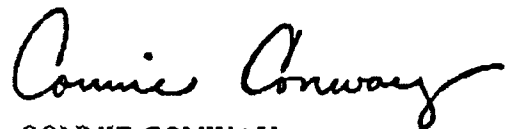
ROY ASHBURN  
State Senator, 18th District



DEAN FLOREZ  
State Senator, 16th District

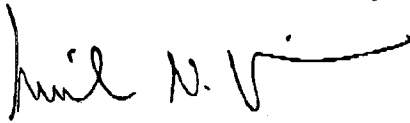


JOAN BUCHANAN  
Assemblymember, 15th District



CONNIE CONWAY  
Assemblymember, 34th District





MICHAEL VILLINES  
Assemblymember, 29<sup>th</sup> District



TONY STRICKLAND  
State Senator, 19<sup>th</sup> District



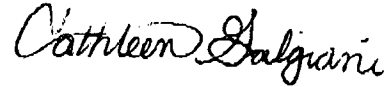
BOB BLUMENFIELD  
Assemblymember, 40<sup>th</sup> District



NATHAN FLETCHER  
Assemblymember, 75<sup>th</sup> District



CAMERON SMYTH  
Assemblymember, 38<sup>th</sup> District



CATHLEEN GALGIANI  
Assemblymember, 17<sup>th</sup> District

STATE CAPITOL  
P.O. BOX 942849  
SACRAMENTO, CA 94249-0034  
(916) 319-2034  
FAX (916) 319-2134

DISTRICT OFFICE  
113 NORTH CHURCH STREET, SUITE 505  
VISALIA, CA 93291  
(559) 636-3440  
FAX (559) 636-4484

Assembly  
California Legislature



CONNIE CONWAY  
ASSEMBLYMEMBER, THIRTY-FOURTH DISTRICT

COMMITTEES  
VICE CHAIR, HIGHER EDUCATION  
AGRICULTURE  
BUSINESS AND PROFESSIONS  
PUBLIC EMPLOYEES, RETIREMENT  
AND SOCIAL SECURITY  
TRANSPORTATION

June 25, 2009

Funding Board

To Whom It May Concern,

I am writing to express my support for the joint project between Inyo, Mono and Kern Counties with [REDACTED] Digital 395. The collaboration is deserving of a grant through the American Reinvestment and Recovery Act of 2009 (ARRA).

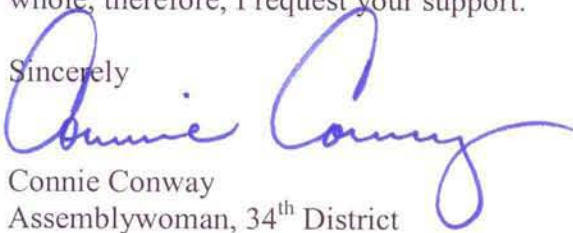
The Digital 395 is a number of projects which, in conjunction, will help bring high speed internet services to the Eastern Sierra. This innovative collaboration will provide an "open access network" in the highly underserved rural region of the Eastern Sierra.

This 364 mile fiber optic "backbone" cable will run from the Mojave area to the Minden area and eventually out to the Kern River Valley. This will bring adequate broadband connectivity to an underserved area. The project location may be a sparsely populated area, but it is vastly diverse – it is home to the Los Angeles Aqueduct, a major water source for the City of Los Angeles, as well as the China Lake Naval Weapons Center, which is vital to our nation's protection and security.

Eighty percent of the funding for this project will be sought under the American Recovery and Reinvestment Act of 2009. The remaining funding will come from local in-kind contributions, and the California Advanced Services Fund (CASF). The two year construction period is estimated to create 900 jobs annually.

The Digital 395 project proposed by Inyo, Mono and Kern Counties and Praxis Association will be beneficial to the Eastern Sierra region as well as California as a whole; therefore, I request your support.

Sincerely

  
Connie Conway  
Assemblywoman, 34<sup>th</sup> District



# CITY OF BISHOP

377 West Line Street - Bishop, California 93514

P. O. Box 1236 - Bishop, California 93515

City Hall (760) 873-5863 - Fax (760) 873-4873

June 23, 2009

To Whom It May Concern:

SUBJECT: IN SUPPORT OF THE DIGITAL 395 PROJECT

The rural counties of the Eastern Sierra are located in the central eastern portion of the State of California between the peaks of the Eastern Sierra to the west and the plains of the Great Basin and Mojave Desert to the east. The area is a popular tourist destination and a major source and conduit of the water consumed in Southern California. U.S. Highway 395, a north-south artery for the state paralleling the Los Angeles Aqueduct, provides the main access route to the area. The region covers nearly 10% of the area of California.

Much of the population of this region lacks any access to broadband and the majority of the remainder lacks access to what is considered "high-speed" broadband. Without broadband the area cannot compete in the world's internet-based economy, local rural governments and businesses miss out on opportunities to provide more effective, efficient services, and the general public is deprived of the ability to pursue employment opportunities, education, health care, civic participation, entertainment, and other services provided online.

The vast majority of the telecommunication available in the region is a single, oversubscribed communications link. Complete failure of this link has occurred several times over the past few years and, as a result, businesses could not authorize credit transactions, ATMs ceased to provide service, public safety agencies could not provide vital services. In fact, no communication beyond a given local community is possible when this occurs.

A project developed by Praxis Associates, pursuing an opportunity afforded by the American Reinvestment and Recovery Act of 2009, proposes a solution to the lack of broadband and telecommunication infrastructure in the Eastern Sierra. The project is unique in that it is estimated to create more than 900 short term jobs and, once constructed, will be turned over to a regional Joint Powers Authority for operation as an "open access" telecommunications backbone. The technology proposed is designed to be "future-proof" and superior to alternatives available today. In addition to providing high-speed broadband to the region, the resulting infrastructure will provide redundancy to be present single, at-risk telecom line presently serving the area and significantly reduce the likelihood that the area will lose the ability to telecommunicate.

We strongly urge you to support this "Digital 395" project. Thank you for your consideration.

Sincerely,

Susan Cullen, Mayor  
City of Bishop



P.O. Box 1481  
Mammoth Lakes, CA 93546  
(760) 937-5646  
[kris@correct-connections.com](mailto:kris@correct-connections.com)

March 14, 2010

Robert Volker  
Southern California Broadband Cooperative, Inc.  
1011 Nimitz Ave  
Vallejo, CA 94592

Mr. Volker

I am writing this on behalf of Correct Connections to express our support for bringing more bandwidth to the town of Mammoth Lakes and the other rural communities of Mono County. As a home systems integrator, we see the advantages of current and future connected-home technologies. These technologies include energy management tools and smart meters, which report consumption patterns and requirements to the user and supplier.

As more remote management technologies are realized, we understand the need for communities to stay ahead of the curve with respect to broadband supply vs. requirements.

Thank You,

Kris Gentry  
Correct Connections



# Communications Workers of America Local 9400

AFL-CIO, CLC

7844 Rosecrans Avenue, Paramount CA 90723-2296 562.259.9400 562.633.0536 Fax CWA9400@pacbell.net

William L. Demers  
President

Mr. David J. Villano  
Administrator  
USDA, Rural Utility Services  
STOP 1590  
1400 Independence Ave., SW, Rm 5151  
Washington, DC 20250-1590

August 4, 2009

Dear Mr. Villano,

This letter is being written in strong support of two Grant Applications under the Rural Utility Service's Broadband Infrastructure Program (BIP). One project, called "Digital 395" is a middle mile project extending facilities into an unserved/underserved region of California on the eastern side of the Sierra Nevada mountain range. This project will be owned and operated by California Broadband Cooperative, Inc., a Certificated Telephone Cooperative, which is being created solely for this purpose. The second project is called "Inyo Networks Last Mile" which is a fiber-to-the-premises (FTTP) and wireless solution for a number of serving areas throughout that same region that do not have broadband facilities.

The work on these projects will be performed by [REDACTED] construction company whose members are represented by the Communications Workers of America (CWA) Local 9400. Because their work has largely been associated with installing fiber optic networks into new housing subdivisions, [REDACTED] has been particularly hard-hit by the economic conditions of the past few years and has had to lay-off its entire employee body. Funding these projects would enable [REDACTED] to recall their union-represented workforce of professional telecommunications workers who can construct carrier-grade networks.

[REDACTED] stands out uniquely as a telecommunications construction firm that has sought to support well-paying union jobs. Shortly after securing a contract with [REDACTED] to construct their fiber networks, [REDACTED] approached the CWA, asking that its employees be represented. This was not necessary, but the relationship was established, has endured, and has proven to be mutually beneficial to both the employees and employer. Because this is one of the better models of a "union-employer partnership" we strongly encourage the agencies reviewing their application to consider its job-creating impact and the unique characteristic of the employer in this regard.

As a strong advocate of the American Recovery and Reinvestment Act of 2009 (ARRA), the Communications Workers of America believe these Applications are precisely what this legislation was meant to accomplish – putting people back to work in quality jobs building lasting infrastructure.

Best Regards,

William Demers –President CWA Local 9400



**BOARD OF COMMISSIONERS**  
1594 Esmeralda Avenue, Room 101, Minden, Nevada 89423

T. Michael Brown  
COUNTY MANAGER  
775-782-9821

**COMMISSIONERS**  
Michael A. Olson, CHAIRMAN  
David J. Brady, VICE-CHAIRMAN  
Doug N. Johnson  
Nancy McDermid  
Greg Lynn

March 23, 2010

Robert W. Volker, CEO  
California Broadband Cooperative, Inc.  
1101 Nimitz Avenue  
Vallejo, CA 94592

Project Name: Digital 395  
Easy Grant Number: 5569

Dear Mr. Volker,

Douglas County, Nevada supports the California Broadband Cooperative and its Digital 395 project. The creation and improvement of network connectivity within this area of underserved and unserved neighborhoods will provide vital support for public safety and the infrastructure necessary to increase the economic vitality of our jurisdiction.

Douglas County intends to work collaboratively with your organization to make this network a viable and sustainable operation. Possibilities for collaboration include mapping, conduit placement, rights of way and environmental assessments.

A working committee of Douglas County staff has been established and is available to provide assistance with your project. The liaison for this working group is:

Linda Deacy, Library Director  
Douglas County Public Library  
1625 Library Lane  
Minden, NV 89423  
775-782-9841  
ldeacy@douglas.lib.nv.us

Sincerely,

T. Michael Brown  
County Manager

XC Board of County Commissioners

Mailing Address: P.O. Box 218, Minden, NV 89423

  
HOWARD P. "BUCK" McKEON  
25TH DISTRICT, CALIFORNIA

COMMITTEE ON EDUCATION  
AND LABOR

SENIOR REPUBLICAN MEMBER

COMMITTEE ON ARMED SERVICES  
SUBCOMMITTEE ON AIR AND LAND FORCES  
SUBCOMMITTEE ON STRATEGIC FORCES

MEMBER OF REPUBLICAN WHIP TEAM



Congress of the United States  
House of Representatives  
Washington, DC 20515-0525

2184 RAYBURN HOUSE OFFICE BUILDING  
WASHINGTON, DC 20515  
(202) 225-1956

26650 THE OLD ROAD, SUITE 203  
SANTA CLARITA, CA 91381  
(661) 254-2111

1008 WEST AVENUE M-14, SUITE E-1  
PALMDALE, CA 93551  
(661) 274-9688

SAN BERNARDINO, INYO,  
AND MONO COUNTIES  
(800) 565-4333

[www.mckeon.house.gov](http://www.mckeon.house.gov)

July 14, 2009

To Whom It May Concern:

I write to express my interest in a broadband project developed by [REDACTED] that would create a 364 mile fiber optic "backbone" cable to help bring high speed internet services to the Eastern Sierras in California. It is being designed so that residents of the area can have data speeds 100 times greater than those available today, allowing virtually all data services to become available.

The Eastern Sierras are largely composed of rural counties, located in the eastern-central portion of California. The area is a thriving tourist center and is very popular for outdoor recreation in all seasons. U.S. Highway 395, a north-south artery for the state paralleling the Los Angeles Aqueduct, provides the main access route to the county. The region covers nearly 10% of the area of California.

The vast majority of the telecommunication available in the region is a single, over-subscribed communications link. Complete failure of this link has occurred several times over the past few years and, as a result, business could not authorize credit transactions, ATMs ceased to provide service, public safety agencies could not provide vital services. Building this new digital fiber optic "backbone" is essential for small business development in the region and will open fresh opportunities in other business markets.

Much of the population of this region lacks any access to broadband and the majority of the remainder lacks access to what is considered "high-speed" broadband. Without broadband the area cannot compete in the world's Internet-based economy, local rural governments and business miss out on opportunities to provide more effective, efficient services, and the general public is deprived of the ability to pursue information available to the vast majority of all other Americans.

The project is unique in that once constructed, it will be turned over to a regional non-profit organization for operation as an "open access" telecommunications backbone. The technology proposed is designed to be "future-proof" and superior to alternatives available today.

I respectfully request that you consider [REDACTED] "Digital 395" broadband project to help connect the residents that reside in the Eastern Sierras. I greatly appreciate your time and attention to this matter.

Sincerely,

A handwritten signature in blue ink that reads "Howard P. 'Buck' McKeon". The signature is written in a cursive style with a large, stylized "H" and "M".

Howard P. "Buck" McKeon  
Member of Congress





## BOARD OF SUPERVISORS COUNTY OF INYO

P. O. BOX N • INDEPENDENCE, CALIFORNIA 93526  
TELEPHONE (760) 878-0373 • FAX (760) 878-2241  
e-mail: [pgunsolley@inyocounty.us](mailto:pgunsolley@inyocounty.us)

MEMBERS OF THE BOARD  
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RICHARD CERVANTES

KEVIN D. CARUNCHIO  
*Clerk of the Board*

PATRICIA GUNSOLLEY  
*Assistant Clerk of the Board*

July 7, 2009

Re: Support of the "Digital 395" Project

To Whom It May Concern:

Inyo County strongly urges you to support the "Digital 395" project to secure broadband technology and telecommunication infrastructure in Inyo County and the Eastern Sierra. The rural counties of the Eastern Sierra, including Inyo County, lay in the central eastern portion of the state of California between the peaks of the Eastern Sierra to the west and the plains of the Great Basin and Mojave Desert to the east. The area is a popular tourist destination and a major source and conduit of the water consumed in Southern California. U.S. Highway 395, the only north-south artery for the state east of the Sierra Nevada Mountains, provides the main access route to the county. The region covers nearly 10% of the area of California.

Much of the population of this region lacks any access to broadband and the majority of the remainder lacks access to what is considered "high-speed" broadband. Without broadband the area can not compete in the world's Internet-based economy; local rural governments and business miss out on opportunities to provide more effective, efficient services; and the general public is deprived of the ability to pursue employment opportunities, education, healthcare, civic participation, entertainment, and much more online. This project could help secure a connected and prosperous future for 10% of the state and the residents of the area.

The vast majority of the telecommunication available in the region is a single, oversubscribed communications link. Complete failure of this link has occurred several times over the past few years and, as a result, business could not authorize credit transactions, ATMs ceased to provide service, public safety agencies could not provide vital services; in fact, no communication beyond a given local community is possible when this occurs. The Digital 395 project would not only provide a secure, dependable link for the eastern Sierra, but a redundant north-south telecommunications link for California, and the nation.

The Digital 395 Project developed by Praxis Associates, pursuing an opportunity afforded by the American Reinvestment and Recovery Act of 2009, proposes a solution to the lack of broadband and telecommunication infrastructure in the Eastern Sierra. The project is unique in that it is estimated to create more than 900 annual jobs and, once constructed, will be turned over to a regional non-profit organization for operation as an "open access" telecommunications backbone. The technology proposed is designed to be "future-proof" and superior to alternatives available today. In addition to providing the benefits and opportunities of high-speed broadband to the region, the resulting infrastructure will provide redundancy to the present single, at-risk telecom line presently serving the area and significantly reduce the likelihood that the area will lose the ability to telecommunicate.

The Inyo County Board of Supervisors appreciates your consideration of this request and once again asks that you support the "Digital 395" project.

Sincerely,

Supervisor Beverly Brown, Chairperson  
Inyo County Board of Supervisors



DEPARTMENT OF HEALTH AND HUMAN SERVICES  
Public Health Division  
Jean Turner, Director  
207A West South Street  
Bishop, CA 93514  
TELEPHONE (760) 873-7868  
FAX (760) 873-7800  
EMAIL [healthofficer@inyocounty.us](mailto:healthofficer@inyocounty.us)

## COUNTY OF INYO

July 10, 2009

California Public Utilities Commission  
505 Van Ness Ave  
San Francisco, California 95105

To Whom It May Concern:

Inyo County is the second largest county in California with a geographic area of 15,000 square miles with essentially one road traversing the length of the county connecting the communities. In the world of public health, Inyo County is considered not only rural but “frontier” due to its remoteness. It is in reference to this isolation that the intent of the Digital 395 project addresses the needs of Inyo County. It is the opinion of Inyo County Health & Human Services/ Public Health Division that the project will expand access to the benefits of the rapidly growing digital advances, provide economic development potentials and prevent further loss of our current available services.

Inyo County clearly has a shortage of specialty care physicians with only a total of 21 medical providers comprised of 11 family practice physicians, 3 physicians in internal medicine, 2 in obstetrics, 3 pediatricians and 1 ophthalmologist. The expanded services and access made available by the project could address the exchange of medical information and records for clients requiring specialty care or consultations. The clients requiring specialty care often must travel over 200 miles to Los Angeles, Reno or Las Vegas. Digital 395 would make the use of remote viewing of MRI's and other diagnostic tools more effective and convenient for the already medically compromised individual.

In addition, with the availability of remote medicine, the rapid exchange of medical information can make a life/death difference in our rural area by potentially preventing time consuming evacuation flights to tertiary centers or hasten the ability to diagnose and provide treatment. It would be anticipated that the use of videoconferencing among medical providers would become far more efficient than the current status in which the functionality at best is fuzzy and frustrating for all participants.

Thirty-one percent (31%) of the population of Inyo county lives at 200% below poverty level with a current unemployment rate at 12%. The population has decreased by 4.5% since 2000 with reasons being due to a variety of factors- loss of jobs in key sectors such as mining, and migration of wage earners and their families. The potential economic development as a result of the implementation of the 395 Digital project could stimulate change and growth in our area both in creating job opportunities and expanding educational options through the increased access to large amounts of data.

It is well established that the current system is at capacity limiting the type of growth needed for the already isolated Inyo County to maintain in step with the future technological advances. In addition this system has demonstrated flaws that have greatly impacted our communities and threatens the basic level of services currently available through the system. From the public health perspective the greatest problem with the system is the failure in communications when the line is severed at any point resulting in the shutting down of the entire system. Of greatest risk is the failure of the 911 emergency access calls for the residents. In addition, since the backbone could easily fail in the event of a disaster, contacting outside agencies for support would become problematic and lead to devastating results.

Inyo County Health & Human Services/ Public Health supports the 395 Digital Project and we hope you will consider the worth of such a project for the citizens of our communities and region.

Sincerely,

Tamara Cohn, PHN  
Inyo County Health & Human Services/ Public Health  
Clinical Services Director

Cc: Brandon Shults  
County of Inyo, Information Services  
P.O. Box 477  
Independence, CA 93526

Office of the Sheriff  
**SHERIFF**  
**INYO COUNTY, CA**



**WILLIAM R. LUTZE**  
**SHERIFF**

**JIM JONES**  
**UNDERSHERIFF**

*"A Professional Service Agency"*

July 1, 2009

To whom it may concern:

As Sheriff of Inyo County, the second largest and arguably the most remote county in California, I strongly support the "Digital 395" project.

Inyo County is a rural county located in the Eastern Sierra Nevada Mountain Range. Inyo County is approximately 10,412 square miles of the most diverse and challenging terrain in the state. The geography of the county ranging from the Sierra Nevada Mountain Range to Death Valley presents unique challenges to local government. With a sparse full time population of about 18,000 primarily nestled within several townships scattered along U.S. 395, and a seasonal transient population estimated to be in the millions according to recent Caltrans studies, the Sheriff's Office is tasked with an extremely critical and daunting responsibility; providing emergency services and maintaining the public peace throughout the county. In addition, we are charged with dispatching for fire, ambulance and other emergency first responders countywide.

The core mandated services of my office are to provide for and maintain public safety. These responsibilities include but not limited to providing general law enforcement over a wide expanse of territory, search and rescue operations, oversight of the county Office of Emergency Services, Superior Court Security, and operating and maintaining the county jail.

Data collection, storage, dissemination and sharing of information including coherent real time communication are a vital component in the efficient and effective execution of our responsibilities. To date the communications infrastructure, or lack of, provided by public utilities has in many instances seriously hampered our efforts to provide some of the most basic of services. For example, within the last 5 years we have experienced a countywide failure of the 911 system when the existing communications trunk line was severed by construction equipment. This trunk line does not contain a back up mechanism. The absence of a secondary line caused a 911 "blackout" for several hours.

Communications within the law enforcement community is evolving quickly throughout California with the exception of rural counties such as ours, yet our duty to protect our citizens is no less than that of densely populated counties. Maintaining the existing infrastructure simply means that law enforcement agencies within Inyo County will not be able to communicate as effectively with our larger counterparts. Critical information gathering and sharing such as Amber and sex offender alerts and crisis management information will not be disseminated in a timely manner.

*Office of the Sheriff*  
**SHERIFF**  
**INYO COUNTY, CA**



**WILLIAM R. LUTZE**  
**SHERIFF**

**JIM JONES**  
**UNDERSHERIFF**

*"A Professional Service Agency"*

The installation of high speed broadband will assure our ability to attain the communications capabilities needed to provide the best services possible to our citizens. Equally as important, is that the state of the art broadband connectivity will give the Sheriff's Office the added capability of accessing and analyzing data shared by surrounding agencies in real time, giving us the ability to be proactive in our responses to incidents by recognizing trends developing locally or regionally.

In closing I will reiterate my position on this matter; I enthusiastically endorse the "Digital 395" project and look forward to its implementation.

Sincerely,

William R. Lutze  
Sheriff of Inyo County

# June Lake Fire Protection District

P. O. BOX 144

JUNE LAKE, CALIFORNIA 93529

TELEPHONE (760) 648-7390

FAX (760) 648-6801

To Whom It May Concern:

The rural countys of the Eastern Sierra lay in the central eastern portion of the state of California between the peaks of the Eastern Sierra to the west and the plains of the Great Basin and Mojave Desert to the east. The area is a popular tourist destination and a major source and conduit of the water consumed in Southern California. U.S. Highway 395, a north-south artery for the state paralleling the Los Angeles Aqueduct, provides the main access route to the county. The region covers nearly 10% of the area of California.

Much of the population of this region lacks any access to broadband and the majority of the remainder lacks access to what is considered "high-speed" broadband. Without broadband the area can not compete in the world's Internet-based economy, local rural governments and business miss out on opportunities to provide more effective, efficient services, and the general public is deprived of the ability to pursue employment opportunities, education, healthcare, civic participation, entertainment, and much more online.

The vast majority of the telecommunication available in the region is a single, oversubscribed communications link. Complete failure of this link has occurred several times over the past few years and, as a result, business could not authorize credit transactions, ATMs ceased to provide service, public safety agencies could not provide vital services; in fact, no communication beyond a given local community is possible when this occurs.

A project developed by Praxis Associates, pursuing an opportunity afforded by the American Reinvestment and Recovery Act of 2009, proposes a solution to the lack of broadband and telecommunication infrastructure in the Eastern Sierra. The project is unique in that it is estimated to create more than 450 employment opportunities and, once constructed, will be turned over to a regional non-profit organization for operation as an "open access" telecommunications backbone. The technology proposed is designed to be "future-proof" and superior to alternatives available today. In addition to providing the benefits and opportunitites of high-speed broadband to the region, the resulting infrastructure will provide redundancy to the present single, at-risk telecom line presently serving the area and significantly reduce the likelihood that the area will lose the ability to telecommunicate.

We strongly urge you to support this "Digital 395" project. Thank you.



Chief Mike Bauer

*June Lake Public Utility District*  
P O Box 99  
June Lake, CA 93529  
(760) 648-7778 Fax (760) 648-6801  
[jlpuandfire@qnet.com](mailto:jlpuandfire@qnet.com)

In support of the "Digital 395" project

To Whom It May Concern:

The rural counties of the Eastern Sierra lay in the central eastern portion of the state of California between the peaks of the Eastern Sierra to the west and the plains of the Great Basin and Mojave Desert to the east. The area is a popular tourist destination and a major source and conduit of the water consumed in Southern California. U.S. Highway 395, a north-south artery for the state paralleling the Los Angeles Aqueduct, provides the main access route to the county. The region covers nearly 10% of the area of California.

Much of the population of this region lacks any access to broadband and the majority of the remainder lacks access to what is considered "high-speed" broadband. Without broadband the area can not compete in the world's Internet-based economy, local rural governments and business miss out on opportunities to provide more effective, efficient services, and the general public is deprived of the ability to pursue employment opportunities, education, healthcare, civic participation, entertainment, training and much more online.

The vast majority of the telecommunication available in the region is a single, oversubscribed communications link. Complete failure of this link has occurred several times over the past few years and, as a result, business could not authorize credit transactions, ATMs ceased to provide service, public safety agencies could not provide vital services; in fact, no communication beyond a given local community is possible when this occurs.

A project developed by [REDACTED] pursuing an opportunity afforded by the American Reinvestment and Recovery Act of 2009, proposes a solution to the lack of broadband and telecommunication infrastructure in the Eastern Sierra. The project is unique in that it is estimated to create more than 450 employment opportunities and, once constructed, will be turned over to a regional non-profit organization for operation as an "open access" telecommunications backbone. The technology proposed is designed to be "future-proof" and superior to alternatives available today. In addition to providing the benefits and opportunities of high-speed broadband to the region, the resulting infrastructure will provide redundancy to the present single, at-risk telecom line presently serving the area and significantly reduce the likelihood that the area will lose the ability to telecommunicate.

We strongly urge you to support this "Digital 395" project. Thank you.



# Jon McQuiston

SUPERVISOR - FIRST DISTRICT

Office of the First District Supervisor  
1115 Truxtun Avenue, Suite 501  
Bakersfield, California 93301-4639  
Toll-Free 800-221-3625  
Phone 661-868-3650  
Fax 661-868-3657

July 6, 2009

RE: Support of Eastern Sierra Broadband by Praxis Associates

To Whom It May Concern:

Eastern Kern County is comprised of the southernmost tip of the Sierra Nevada mountain range and east of the foothills, the Indian Wells Valley and the vast Mojave Desert. Most of this land is owned by Federal agencies or special districts and as a result offer little opportunity for private commercial development.

With the exception of the Naval Weapons Station at China Lake and Edwards Air Force Flight Test Center, most of the economic development in eastern Kern County is tourism based. This type of economic engine tends to be seasonal in nature and at best provides minimum wage employment with no benefits for the local workforce. This limits business growth and income levels of the residents living in the rural and in some cases isolated communities. The Eastern Sierra Broadband Project will bring untold opportunities in the arenas of education, telemedicine, law enforcement, public safety, public service agencies, enhance the tourism experience, ecotourism, video conferencing, telecommuting, networking capabilities, the list is endless.

I fully support this project and ask that you give this grant proposal your full consideration for funding. To have an "open access" telecommunications infrastructure east of the Sierra Nevada mountain range not only makes sense for the economic survival of the region but will bring better healthcare, a better educated workforce, safer communities for our children and seniors in which to live and retire, and a sense of pride in our region.

Sincerely,

A handwritten signature in black ink that reads "Jon McQuiston".

Jon McQuiston

JM/jah

**DELANO OFFICE**  
455 Lexington Street  
Delano, CA 93215  
661-720-9496

**LAKE ISABELLA OFFICE**  
7050 Lake Isabella Blvd.  
P.O. Box 3073  
Lake Isabella CA 93240  
760-549-2068

**RIDGECREST OFFICE**  
400 N. China Lake Blvd.  
Ridgecrest, CA 93555  
760-384-5829

**SHAFTER OFFICE**  
329 Central Valley Hwy.  
Shafter, CA 93263  
661-746-7561





# Jon McQuiston

SUPERVISOR - FIRST DISTRICT

Office of the First District Supervisor  
1115 Truxtun Avenue, Suite 501  
Bakersfield, California 93301-4639  
Toll-Free 800-221-3625  
Phone 661-868-3650  
Fax 661-868-3657

**August 11, 2009**

**Re: Project Partners in Kern County**

To Whom It May Concern:

The following departments within the County of Kern have been involved in discussions and fully support the Eastern Sierra Broadband "Digital 395" Project by Praxis and Associates.

- Kern County Board of Trade
- Kern County Community and Economic Development
- Kern Council of Governments
- Kern County Engineering and Survey Services
- Kern County Emergency Medical Services
- Kern County Fire Department
- Kern County Information Technology Services
- Kern Council Libraries
- Kern Medical Center
- Kern County Mental Health
- Kern County Planning Department
- Kern County Probation Department
- Kern County Public Health
- Kern County Resource Management Agency
- Kern County Roads Department
- Kern County Sheriff

**Community Organizations, Business, and Special Districts:**

- Kern River Valley Revitalization
- Kern River Valley Chamber of Commerce
- Kernville Chamber of Commerce
- Southern California Edison
- Desert Mountain Resource Conservation and Development Council
- California Water Service
- Kern Valley Healthcare District
- Mountain River Adventures
- Sierra South Mountain Sports
- Kernville Union School District
- South Fork Union School District
- Kern High School District
- Sierra Sands Unified School District
- Ridgecrest Regional Medical Center
- Ridgecrest Chamber of Commerce
- Cerro Coso Community College – Ridgecrest Campus, Lake Isabella Campus

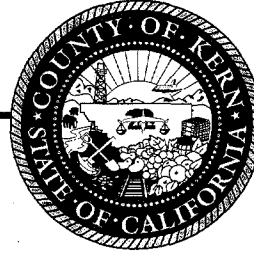
DELANO OFFICE  
455 Lexington Street  
Delano, CA 93215  
661-721-3888

LAKE ISABELLA OFFICE  
7050 Lake Isabella Blvd.  
PO. Box 3073  
Lake Isabella CA 93240  
760-549-2068

RIDGECREST OFFICE  
400 N. China Lake Blvd.  
Ridgecrest, CA 93555  
760-384-5829

SHAFTER OFFICE  
329 Central Valley Hwy.  
Shafter, CA 93263  
661-746-7561

KERN COUNTY ADMINISTRATIVE OFFICE  
Information Technology Services Division



WILLIAM P. FAWNS  
Director

1215 Truxtun Avenue • Bakersfield, CA 93301  
Telephone 661-868-2000 • FAX 661-868-2100 • TTY Relay 800-735-2929

August 10, 2009

Re: Support of the "Digital 395" Project

To Whom It May Concern:

The purpose of this letter is to express our support for the Digital 395 Project to establish high-speed broadband connectivity along the Eastern Sierra region of California and Nevada. This region has always been underserved for broadband connectivity, both inhibiting economic growth and forcing government agencies to establish our own costly communications infrastructure.

We see the Digital 395 Project as an opportunity to establish reliable connectivity for use by public safety agencies, general government agencies, educational institutions, medical facilities, private enterprise companies, and the ordinary citizens of the region. We also see a direct benefit to Kern County agencies serving the region that could use the 395 backbone as a redundant connection in case of a disaster or other situation where our current connections across the Southern Sierra mountains were lost.

We ask that you give the Digital 395 Project your full consideration for funding. Without this type of funding, establishing high-speed broadband connectivity to the region would always be out of reach. The benefits to the region will be numerous and allow government agencies such as Kern County to deliver improved services to our citizens.

We appreciate your time and consideration in this matter.

Respectfully submitted,

A handwritten signature in black ink that reads "William P. Fawns". The signature is written in a cursive style with a horizontal line underneath it.

William P. Fawns  
Director of Information Technology Services  
County of Kern

cc: Each Supervisor  
County Administrative Officer  
County Counsel



June 25, 2009

American Recovery and Reinvestment Act  
Funding Agencies  
Rural Broadband

**RE: Support letter for the "Eastern Sierra Broadband" Project**

To Whom It May Concern:

I am writing in support of the "Digital 395" project on behalf of the Southern Mono Healthcare District (SMHD).

SMHD provides healthcare services to the residents of Mono County, surrounding counties, and visitors to our area. We are comprised of a Critical Access Hospital and 14 clinics located in Mammoth Lakes, Bridgeport and Bishop, California.

We rely heavily on the ability to digitally transmit medical records and images to other areas of the State and Country. We are involved in telemedicine projects to help serve our community needs and plan on expanding our capabilities over the next few years. Reliable high speed internet is a key to our success.

I am in full support of the project and strongly urge you to support the "Digital 395" project.

Thank you.

Sincerely,

Gary Boyd  
Chief Executive Officer



# Mammoth Lakes Foundation

100 College Parkway, Post Office Box 1815 • Mammoth Lakes, CA 93546-1815  
 (760) 934-3781 • Fax: (760) 934-6019 • email: [foundation@mammothlakesfoundation.org](mailto:foundation@mammothlakesfoundation.org)  
[www.mammothlakesfoundation.org](http://www.mammothlakesfoundation.org)

March 13, 2010

Mr. Michael Ort  
 Praxis Associates, Inc.  
 Vallejo, CA 94592  
 Sent Via Fax: (707) 552-8120

Re: Letter of Intent

Dear Mr. Ort,

I previously sent a letter supporting the Digital 395 project. Consider this a letter of intent, assuming pricing and service is competitive. We are currently using 10 MB of DSL and would like a T-1 line. We will be in need of additional service as future student housing is developed and the growth of the college.

The Mammoth Lakes Foundation is a 501 C-3 non profit supporting Cerro Coso Community College. In 2008, The Mammoth Lakes Foundation constructed the first student apartments built for a California Community College in over 20 years. The first phase of our project is a 24,000 sq. ft. facility with 59 beds. The build out of our college is projected at 1,000 students and 500 beds of student housing. This is the only such facility in Mono or Inyo County. The biggest challenge we face today is access to affordable high speed internet, and more specifically adequate band width.

To the extent the project is funded, please keep us informed of the project's progress and estimates when services at these locations' will be available. I can be contacted by e-mail at [evan@mammothlakesfoundation.org](mailto:evan@mammothlakesfoundation.org) should you have any questions.

Sincerely,

Evan Russell  
 President & CEO



## MAMMOTH UNIFIED SCHOOL DISTRICT

SUPERINTENDENT  
FRANK S. ROMERO, PH.D.

BOARD OF EDUCATION  
MARY CANADA  
JACK FARRELL  
GREG NEWBRY  
SHANA STAPP  
GLORIA VASQUEZ

To Whom It May Concern:

The rural Eastern Sierra lies in the central eastern portion of the state of California between the peaks of the Eastern Sierra to the west and the plains of the Great Basin and Mojave Desert to the east. Much of the population of this region lacks any access to broadband and the majority of the remainder lacks access to what is considered "high-speed" broadband. Without broadband the area can not compete in the world's Internet-based economy, local rural governments and business miss out on opportunities to provide more effective, efficient services, and the general public is deprived of the ability to pursue employment opportunities, education, healthcare, civic participation, entertainment, and much more online.

As Mammoth Superintendent of Schools, it is my highest priority to ensure that students educated in our rural community have every opportunity to compete in the "e-world" of today.

- Teachers and students need high-speed broadband access in their schools to take advantage of a wide range of new and rich educational tools and resources available for learning anytime, anywhere
- Teachers need high-speed broadband access for professional development, and engaging in professional learning communities as well as accessing new educational resources such as curriculum cadres and education portals
- Administrators need high-speed broadband access to conduct online assessments and to access data for effective decision making
- Students need high-speed broadband access to overcome the digital divide in rural and low socio-economic areas

A project developed by [REDACTED] pursuing an opportunity afforded by the American Reinvestment and Recovery Act of 2009, proposes a solution for the Eastern Sierra. The technology proposed is designed to be "future-proof" and superior to alternatives available today. In addition to providing the benefits and opportunities of high-speed broadband to the region, the resulting infrastructure will provide redundancy to the present single, at-risk telecom line presently serving the area and significantly reduce the likelihood that the area will lose the ability to telecommunicate.

I strongly urge you to support this "Digital 395" project.

Sincerely,

Frank S. Romero, Ph.D.

Superintendent of Schools

Mammoth Unified School District



## BOARD OF SUPERVISORS COUNTY OF MONO

P.O. BOX 715, BRIDGEPORT, CALIFORNIA 93517  
(760) 932-5538 • FAX (760) 932-5531

*Lynda Roberts*  
*Clerk of the Board*  
*lroberts@mono.ca.gov*

*Linda Romero*  
*Assistant Clerk of the Board*  
*lromero@mono.ca.gov*

March 3, 2010

To Whom It May Concern:

The Board of Supervisors for Mono County strongly urges support for the Digital 395 Middle Mile project proposed by [REDACTED]. The Board of Supervisors has been contacted by, and supports, other vendors that have contacted our county for proposed Last Mile projects upon completion of the proposed Middle Mile project. These Internet service providers include but are not limited to: Inyo Networks, Broadband Associates, Willitsonline.com, Mother Lode Internet, MUIRnet Consulting, TRG Consulting, and Complete Wireless Consulting Inc. This project seeks to extend broadband services to unserved and underserved areas of Mono County and the Eastern Sierra. Without the proposed Digital 395 project, there is no ability to carry on a conversation with these Last Mile providers.

Mono County encompasses the northernmost part of California's Eastern Sierra, and most of the economic development is tourism based. Mono County includes major tourist destinations such as Mammoth Mountain Ski Area, the eastern gateway to Yosemite National Park, and California's official gold mining ghost town, Bodie State Historic Park. We have explored and discovered that at least 46 government and public agencies desire to have High-Speed Internet service to accomplish their goals, which include National Security from our Mountain Warfare Training Center (a Marine base), USGS to monitor and report seismic activity in this earthquake-prone area, and our hospital, libraries, sheriff's department, USFS, Caltrans, and our local Native American tribes.

Mono County is 3,300 square miles in size, of which 94% is publicly owned lands that limit our population growth. However, this does not limit our need for Broadband Internet service for our citizens and public agencies. Much of the population of this region is rural and isolated, and lacks broadband, thereby being unable to compete in the world's Internet-based economy and limiting economic growth throughout our county. The Digital 395 Middle Mile project, followed by the Last Mile projects, will allow our local governments and businesses to provide more-effective, cost-efficient services. In addition to creating opportunities for public agencies, this project also will create a significant number of badly needed jobs in our local economy.

This Digital 395 Middle Mile project, together with the anticipated Last Mile projects proposed by the California Broadband Cooperative, brings a desperately needed solution to the lack of broadband capability throughout our region, and would finally allow our communities to effectively telecommunicate, thrive and prosper.

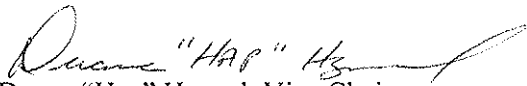
March 3, 2010  
Support for Digital 395  
Middle Mile Project  
Page 2

Mono, Inyo and Kern counties, along with the Town of Mammoth Lakes and the City of Bishop, are committed to participating in the Digital 395 Middle Mile project by forming a public/private partnership, whether through a Joint Powers Authority agreement or independently, as members and/or directors of the nonprofit cooperative formed to apply for the federal and state funding. This would be an open-access system that would allow for those interested Last Mile providers to come into our area and our public agencies to access the Middle Mile system.

Mono County has already joined forces with Inyo and Kern counties along with Praxis Associates by committing staff time, planning efforts, and right-of-way access to move this grant application forward. We will continue to do so to ensure the success of this project.

The Mono County Board of Supervisors asks that you support the Digital 395 Middle Mile project and open the door for our much-needed Last Mile projects.

Sincerely,



Duane "Hap" Hazard, Vice Chair  
Mono County Board of Supervisors



## BOARD OF SUPERVISORS COUNTY OF MONO

P.O. BOX 715, BRIDGEPORT, CALIFORNIA 93517  
(760) 932-5538 • FAX (760) 932-5531

*Lynda Roberts*  
**Clerk of the Board**  
lroberts@mono.ca.gov

*Linda Romero*  
**Assistant Clerk of the Board**  
lromero@mono.ca.gov

July 14, 2009

Re: Support of the "Digital 395" Project

To Whom It May Concern:

As the Chairman of the Mono County Board of Supervisors, I am writing on behalf of the Board to strongly urge you to support the "Digital 395" Project to secure broadband technology and telecommunication infrastructure in Mono County and the Eastern Sierra of California. The rural counties of the Eastern Sierra are situated in the central eastern portion of California, between the peaks of the Sierra Nevada to the west and the Great Basin and Mojave Desert to the east. The region is a popular tourist destination as well as a major source and conduit of the water consumed in Southern California. U.S. Highway 395, the only north-south artery for the state east of the Sierra Nevada, provides the main access route to the county. The region covers nearly 10% of the area of California.

Much of the population of this region lacks any access to broadband and the majority of the remainder lacks access to what is considered "high-speed" broadband. Without broadband the area cannot compete in the world's Internet-based economy; local rural governments and business miss out on opportunities to provide more effective, efficient services; and the general public is deprived of the ability to pursue employment opportunities, education, healthcare, civic participation, entertainment, and much more online. This project could help secure a connected and prosperous future for 10% of the state and the residents of the area.

The vast majority of the telecommunication available in the region is via a single, oversubscribed communications link. Complete failure of this link has occurred several times over the past few years and, as a result, businesses could not authorize credit transactions, ATMs ceased to provide service, and public safety agencies could not provide vital services; in fact, no communication beyond a given local community is possible when this occurs. The Digital 395 Project would not only provide a secure, dependable link for the Eastern Sierra, but a redundant north-south telecommunications link for California, and the nation, as well.

The Digital 395 Project, developed by Praxis Associates, proposes a solution to the lack of broadband and telecommunication infrastructure in the Eastern Sierra; in doing so, Praxis is pursuing an opportunity afforded by the American Reinvestment and Recovery Act of 2009. The project is unique in that it is estimated to create more than 900 annual jobs and, once constructed, will be turned over to a regional non-profit organization for operation as an "open access" telecommunications backbone. The technology proposed is designed to be "future-proof" and superior to alternatives available today. In addition to providing the benefits and opportunities of high-speed broadband to the region, the resulting infrastructure will provide redundancy to the single, at-risk telecom line presently serving the area and significantly reduce the likelihood that the area will lose the ability to telecommunicate.

The Mono County Board of Supervisors appreciates your consideration of this request and once again asks that you support the Digital 395 Project.

Sincerely,

Bill Reid, Chairman  
Mono County Board of supervisors



~~WESTERN 395, 575, 990, 2400, 1550, 78~~ DIGITAL 395" PROJECT  
*Northern Mono Chamber of Commerce*

To Whom It May Concern:

The Northern Mono Chamber of Commerce would like to express our support of the above mentioned project. Mono County encompasses the northern most part of California's Eastern Sierra and includes many major tourist destinations. Our economy is almost entirely dependent on tourism.

Much of the region lacks any access to broadband and the majority lacks access to high-speed broadband. The area needs this broadband technology to be competitive in the world's internet based economy. Not only is this essential for our businesses but also for the safety of our communities. Complete failure of the single link that exists currently for most communities has occurred several times over the past few years affecting 911 services.

The "Digital 395" project developed by Praxis Associates, proposes a much needed solution to the lack of broadband and telecommunication infrastructure in the Eastern Sierra. The project is estimated to create over 450 employment opportunities and, once constructed, will be turned over to a regional non-profit organization for operation as an "open access" telecommunication backbone.

We support this project and deem it necessary to support local economies and the safety needs of the communities that encompass the area.

We strongly urge you to support this "Digital 395" project.

Thank you  
Sue Robbins  
Secretary/Treasurer  
Northern Mono Chamber of Commerce



## INFORMATION TECHNOLOGY COUNTY OF MONO

P.O. BOX 556, BRIDGEPORT, CALIFORNIA 93517  
(760) 932-5500 • FAX (760) 932-5506 • cneely@mono.ca.gov

Clay Neely  
Information Technology Director

June 24, 2009

Dear Sir:

I am the Information Technology Director for Mono County California. I am responsible for the automation and communications of the Mono County government. Over the past few years we have been fairly aggressive in bringing the County out of the dark ages technologically. In attempting to automate the government processes we have encountered numerous issues and limitations because of the lack of Broadband. This is very frustrating for a progressive government agency, as well as our private businesses trying to modernize their methodologies. The saying here is "someone has to die before a T1 line becomes available". Without Broadband it is difficult for the County to conduct business in the world's Internet-based economy.

The Eastern Sierra currently has a single point of failure. If the only connection we have to the outside world is cut, (*this has occurred several times in the last few years*), the entire County population, as well as millions of tourists lose internet service, phone service, E-911 emergency services, credit card transactions, and ATM's. This is a huge public safety problem at any time not to mention a serious inconvenience. If we should have a terrorist or health issue and this occurs we have an even bigger problem. Highway 395 is an important national security route; the only means of South to North transportation if something along the coast interrupts service. Communications is the key to our local and national security. Without it we are simply a small isolated island of humanity.

The Digital 395 Project would give the Eastern Sierra the "backbone" communication capability we need to solve the issues mentioned above and provide the capability to move into the future. The existing infrastructure is frail and inadequate. Without this project, there would be no economic incentive for providers to construct the necessary infrastructure.

This project is estimated to create more than 450 short term jobs and provide the basis for long term business opportunities and economic growth. The goal of the stimulus package is to create jobs and provide broadband to rural un-served and underserved areas most in need. The Eastern Sierra meets all of the aforementioned criteria. Inyo, Mono, and Kern County area have millions of visitors each year. However, the population is not large enough for the big commercial carriers to install broadband. There are few areas in California as remote or that will remain underserved without financial assistance as the Eastern Sierra. Accordingly, Eastern Sierra is among the most in need if it is to move into the future along with the rest of the state. This project will help our business immensely.

I fully support the Digital 395 project and request you consider any support you can provide.

Bernard R. Vlach, Manager  
Mono County  
June 12, 2001  
Page 2 of 2

Respectfully yours,

CLAY NEELY  
INFORMATION TECHNOLOGY DIRECTOR  
COUNTY OF MONO

# Mono County Office of Education



*In the Heart of the Sierra*

**Catherine Hiatt**  
Superintendent of Schools

**Colleen Wright**  
Deputy Superintendent,  
Business & Operations

**Leah Garratt**  
Assistant Superintendent,  
Student Services

**Stacey Adler**  
Assistant Superintendent,  
Curriculum & Instruction

**Business Office**  
37 Emigrant Street  
Mailing: P.O. Box 477  
Bridgeport, CA  
93517-0477  
Ph. (760) 932-7311  
FAX: (760) 932-7278

**Programs Office**  
451 Sierra Park Road  
Mailing: P.O. Box 130  
Mammoth Lakes, CA  
93546-0130  
Ph. (760) 934-0031  
FAX: (760) 934-1443

[www.monocoe.k12.ca.us](http://www.monocoe.k12.ca.us)

July 6, 2009

## RE: "Digital 395 " Project

To Whom It May Concern:

The jurisdiction of the Mono County Office of Education includes a 115 mile stretch of Highway 395 in the eastern Sierra mountains. The county has three school districts and nineteen schools, which include a community school and a community day school that are managed by the county office of education. Sixteen of the county's nineteen schools are located on or within 3 miles of Mono County's stretch of Highway 395.

Much of this rural section lacks access to any broadband and most of the remaining sections lack access to "high speed" broadband. Without the broadband, the schools and libraries do not have adequate access to the educational and informational resources that are really necessary to properly educate our students in the ever growing digital world. Without high speed broadband, online educational tools, such as AP online classes, streaming video, downloadable curricular content and synchronous communications are inaccessible or often unusable due to slow connectivity rates.

The majority of the available telecommunication in the Mono County region is a single, oversubscribed communications link. Available fiber optic links on the 395 corridor would enable broadband consolidation of all network and phone services. In addition, the broadband would enhance video conferencing and Polycom meetings, which would eliminate a huge amount of long distance travel from the eastern sierra to all parts of California. Faster broadband would enhance the efficiency of other necessary business tools such as Laserfiche, business support and communication between all educational agencies in California.

The Mono County Office of Education is in full support of the "Digital 395" project.

Sincerely,

*Catherine Hiatt*

Catherine Hiatt,  
Mono County Superintendent of Schools

*Duane "HAP" Hazard  
Mono County Supervisor  
District Two  
P.O. Box 554  
Mammoth Lakes, Ca. 93546*



*Mono County  
Courthouse*

RE: Support letter for the "Eastern Sierra Broadband" Project

Dear Sir:

I am the Mono County Supervisor for District Two. This district encompasses an area from Highway 395 at the intersection of Highway 120 (East) to the southern border of Mono County. From Highway 395 on the West, to the California Stateline on the East. My district includes slightly more than 1,000 square miles. The county of Mono as a whole is a very rural community with about 15,000 residents spread over 3,300 square miles. I write this letter on the behalf of the citizens I represent.

I have been approached by representatives of [REDACTED] and given a detailed explanation of a Broadband Project that they wish to move forward. I have had time to review their plans and the fiber optic route for the cable lay. Likewise, I agree with their goal of developing the infrastructure and the desire to turn the completed system over to a public agency for future operation.

This project would appear to be able to create jobs in Mono County during the construction phase and long term employment into the future. Since the Eastern Sierras is so dependant on the tourist industry for its economic well being, this project would provide a new industry that could develop new and higher paying jobs.

High speed internet service has been a goal for Mono County and our citizens but to date that goal has been out of reach. This project would serve our citizens, our visitors, public service agencies, schools, libraries, and our military partners. It would enhance public safety for our Law Enforcement agencies, our hospital, and the USGS with our earthquake/volcano monitoring programs.

I would like to support this project fully and would ask that you consider any support that you could provide.

---

Duane "Hap" Hazard  
Mono County Supervisor, District Two



Wild By Nature

MONO COUNTY TOURISM & FILM COMMISSION  
P.O. Box 603 | Mammoth Lakes, CA 93546 | 760-924-1738 | 760-924-1701 FAX | www.MonoCounty.org

June 29, 2009

To Whom It May Concern,

The Mono County Tourism & Film Commission strongly urges you to support the "Digital 395" Project. The project funding is being pursued through an opportunity afforded by the American Reinvestment and Recovery Act of 2009, to bring **broadband and telecommunication infrastructure** to the severely underserved region of California's Eastern Sierra along the US Highway 395 corridor.

Mono County encompasses the northern most part of California's Eastern Sierra, and includes major tourist destinations such as Mammoth Mountain Ski Area, the eastern gateway to Yosemite National Park, as well as California's official gold mining ghost town, Bodie State Historic Park. Our economy is almost entirely tourism dependent, with over 1.5 million tourists contributing \$395 million dollars to Mono County tourism businesses each year. Visitors travel from around the world to visit our attractions and recreate in an outdoor paradise that includes thousands of acres of pristine national forest and wilderness areas.

To compete with other tourist destinations in the digital age, our tourism partners need to offer services afforded by high speed internet. These services can be as simple as the convenience of online booking, mobile map applications to help locate your hotel, in-room WiFi, and video conferencing for meetings and conventions. Without broadband our area cannot compete in the world's Internet-based economy.

The vast majority of telecommunication available in the region is a single, oversubscribed communications link. Complete failure of this link has occurred several times over the past few years. As a result, businesses could not authorize credit transactions, ATMs ceased to provide service, and public safety agencies could not provide 911 services; in fact, no communication beyond a given local community is possible when this occurs.

The "Digital 395" project, developed by [REDACTED], proposes a much needed solution to the lack of broadband and telecommunication infrastructure in the Eastern Sierra. The project is unique in that it is estimated to create more than 450 employment opportunities and, once constructed, will be turned over to a regional non-profit organization for operation as an "open access" telecommunications backbone. In addition to providing the benefits and opportunities of high-speed broadband to the region, the resulting infrastructure will provide redundancy to the present single, at-risk telecom line presently serving the area and significantly reduce the likelihood that the area will lose the ability to telecommunicate.

We strongly urge you to support this "Digital 395" project. Thank you.

Jimmy Little  
Chairperson,  
Mono County Tourism & Film Commission  
PO Box 603  
Mammoth Lakes, CA  
93546



NPG Cable, Inc.

Mammoth Lakes

123 Commerce Drive, Suite B-6  
P.O. Box 396  
Mammoth Lakes, CA 93546  
Phone 760-934-9640  
Fax 760-934-6512

July 10, 2009

Re: In support of the "Digital 395" project

To Whom It May Concern:

The rural counties of the Eastern Sierra lay in the central eastern portion of the state of California between the peaks of the Eastern Sierra to the west and the plains of the Great Basin and Mojave Desert to the east. The area is a popular tourist destination and a major source and conduit of the water consumed in Southern California. U.S. Highway 395, a north-south artery for the state paralleling the Los Angeles Aqueduct, provides the main access route to the county. The region covers nearly 10% of the area of California.

Much of the population of this region lacks any access to broadband and the majority of the remainder lacks access to what is considered "high-speed" broadband. Without broadband the area can not compete in the world's Internet-based economy, local rural governments and business miss out on opportunities to provide more effective, efficient services, and the general public is deprived of the ability to pursue employment opportunities, education, healthcare, civic participation, entertainment, and much more online.

The vast majority of the telecommunication available in the region is a single, oversubscribed communications link. Complete failure of this link has occurred several times over the past few years and, as a result, business could not authorize credit transactions, ATMs ceased to provide service, public safety agencies could not provide vital services; in fact, no communication beyond a given local community is possible when this occurs.

A project [REDACTED] pursuing an opportunity afforded by the American Reinvestment and Recovery Act of 2009, proposes a solution to the lack of broadband and telecommunication infrastructure in the Eastern Sierra. The project is unique in that it is estimated to create more than 450 employment opportunities and, once constructed, will be turned over to a regional non-profit organization for operation as an "open access" telecommunications backbone. The technology proposed is designed to be "future-proof" and superior to alternatives available today. In addition to providing the benefits and opportunities of high-speed broadband to the region, the resulting infrastructure will provide redundancy to the present single, at-risk telecom line presently serving the area and significantly reduce the likelihood that the area will lose the ability to telecommunicate.

We strongly urge you to support this "Digital 395" project. Thank you.

Sincerely,

A handwritten signature in blue ink that reads "Maggie Thompson".

Maggie Thompson  
General Manager

*Servicing Communities  
Mammoth Lakes, California*