

RURAL BROADBAND TASK FORCE

Monday, February 25, 2019 1:30-4:30 p.m. CDT
Varner Hall, Lower Level, Board Room 3835 Holdrege Street
Lincoln, Nebraska

Video Sites:

Homestead Bank, 619 Grand Street, St. Paul
CHI Health Service Center, 7261 Mercy Road, Omaha

MINUTES

MEMBERS PRESENT:

Ed Toner, Chair, Nebraska Information Technology Commission
Mary Ridder, Chair, Nebraska Public Service Commission
Senator Curt Friesen, District 34, Chair, Transportation and Telecommunications Committee, Nebraska Legislature
Senator Bruce Bostelman, District 23, Nebraska Legislature
Zachary Hunnicutt, Farmer, Hunnicutt Farms
Isaiah Graham, Vice-President, Homestead Bank (Video)
Tom Shoemaker, President, Pinpoint Communications (Video—Non-voting because site was added late)
Daniel Spray, Owner, Precision Technology (Video-Non-voting because site was added late)
Timothy Lindahl, CEO/General Manager, Wheat Belt Public Power District
Anna Turman, CEO, Chadron Community Hospital & Health Services (Video)
Andrew Buker, Executive Director of Infrastructure Services, University of Nebraska (Video—Non-voting because site was added late)
Ron Cone, Director of Network Information Services, ESU 10

OPENING BUSINESS

Mr. Toner called the meeting to order at 1:31 p.m. Roll call was taken. There were 6 voting and 2 ex officio non-voting members present. A quorum existed to conduct official business. The meeting announcement was posted on the Nebraska Public Meeting website on September 26, 2018 and on the Rural Broadband Task Force website on December 3, 2018. The agenda was posted on the Rural Broadband Task Force website on February 19, 2019. The Open Meetings Act was posted on the south wall.

APPROVAL OF THE DECEMBER 10, 2018 MINUTES*

Mr. Lindahl moved to approve the December 10 minutes as presented. Mr. Hunnicutt seconded. Ms. Ridder arrived at the meeting.

Roll call vote: Toner-Yes, Hunnicutt-Yes, Graham-Yes, Lindahl-Yes, Cone-Yes, and Ridder-Yes. Results: Yes-6 No-0 and Abstained-0. Motion carried.

Dan Spray joined the meeting via video.

PANEL DISCUSSION: RIGHTS-OF-WAY

Panelists: *Kim Christiansen, Nebraska Rural Electric Association; Mark Massman, RVW, Inc.; and Steve Ingracia, Nebraska Department of Transportation*

Panelists introduced themselves. Ms. Byers asked the following questions:

What is a right of way? Kim Christiansen explained that every right of way is an easement, but not every easement is a right of way. A right of way is the right to travel on someone else's property usually for utility work.

What other issues are related to right of way?

Panelists explained that other issues include permitting, attachments such as bridges, and environmental issues. State and interstate right of ways can overlap with cities. To access a right of way, there must be a purpose or use that is reasonably necessary. Right of ways are taxpayer assets, and public entities must consider:

1. Are the right of ways being used wisely?
2. Do we charge for access?
3. If yes, are we charging enough?
4. Is there appropriate structure to use it?

How do rights of ways affect the deployment of broadband? Mark Massman explained that all projects have time and dollar budgets. Right of way issues can impact scheduling and budgets. A lot of going back and forth with a county or city adds costs. Telecommunications providers need to know the amount required ahead of time for budgeting.

Ms. Christiansen mentioned issues with private right of ways. There is litigation over easements set up for telephone and electric use. Court cases are split on whether the easements can also be used for communications.

How could local government reduce the barriers involved with right of ways and permitting?

Providers want predictability. Many projects cross multiple entities. Local governments can do a lot to facilitate the process with their zoning and local ordinances. Mr. Massman commented that many states have tried to combine multiple processes from local governments into one process, but this can result in adding in all of the requirements of local governments instead of streamlining requirements and processes. The attitude of public entities toward working with telecommunications providers is important.

What can the State of Nebraska do to reduce barriers? Mr. Massman works in eight states and said Nebraska is one of the better states as far as right of ways. He noted that the Nebraska Department of Transportation districts have differences in their permitting processes.

Steve Ingracia replied that there is a state standard, but that it needs to be enforced. It can be interpreted in different ways. Mr. Ingracia also asked if there were other issues that the Nebraska Department of Transportation should address. Mr. Massman said that every crossing requires a separate application. Kansas allows multiple crossings to be included in one application.

Mr. Ingracia also asked about the current practice of requiring a \$500 bond and if there is any benefit to the process. Tom Shoemaker commented that the bond is part of the process, but if it could be eliminated that would be helpful.

Ms Christiansen said that legislation clarifying communications as an approved use for easements would be helpful.

Tom Shoemaker commented that Red Willow County in Nebraska that has a \$500 per mile permit fee. One project incurred over \$20,000 in permitting fees.

Panelists also discussed small cell deployments. In addition to making permitting processes and fees predictable, panelists recommended that local governments put in duct and to use light poles with a space for a 5G antenna when replacing poles.

Mr. Toner thanked the panelists.

BROADBAND FUNDING FOR BROADBAND PANELISTS

Panelists: Roger Meeks, USDA; Jonathan Jank, Seward County Chamber and Development Partnership; Jeff Yost, Nebraska Community Foundation; and Isaiah Graham, Homestead Bank

Roger Meeks shared information on several USDA broadband programs:

- The ReConnect Program provides grants, loans, and grant/loan combinations to expand broadband service of at least 25 Mbps down/3 Mbps up to rural areas without sufficient fixed broadband access, defined as 10 megabits per second (Mbps) downstream and 1 Mbps upstream. To be eligible for a 100% loan or 50% loan / 50% grant, the proposed funded service area in an application must be in a rural area where 90% of the households do not have sufficient broadband access. If an area only has mobile broadband available, it is eligible.
- The Community Connect grant program provides funding for providing broadband to areas lacking service of 10 Mbps down and 1 Mbps up. If an area has mobile broadband of 10/1 Mbps, the area is not eligible. Funding can also be used for providing broadband to critical community facilities.

Jonathan Jank discussed how Seward County has been attracting investments in broadband infrastructure. Seward utilized LB 840 funds to attract Great Plains Communications to build a fiber ring downtown. Blue Stem Fiber has come to Seward and is providing fiber to the home. Milford also utilized LB 840 funds to bring fiber to the business district as well as philanthropic funds to bring fiber to the home.

Jeff Yost shared information on the Nebraska Community Foundation and the impact of charitable giving in Nebraska communities. He explained that funds from charitable foundations can be used to pay for what the government would fund, including education, health care, and programs which address the digital divide. Business retention may be a legitimate purpose.

Isaiah Graham shared information on how the Community Reinvestment Act and New Market Tax Credit can be used to provide funding for broadband.

Mr. Toner thanked the panelists.

BROADBAND COSTS AND SPEED TESTS

Panelists: *Dr. Tim Obermier, University of Nebraska Kearney; Dr. Matt Miller, University of Nebraska Kearney; Dr. Angela Hollman, University of Nebraska Kearney; Ansley Mick, Nebraska Farm Bureau*
Dr. Obermier presented information on broadband cost studies. The information in his presentations showed:

- Residential cost per Mbps decreased from 2015 to 2018.
- Residents of first class cities, second class cities, and villages combined paid on average 53% more than residents of primary and metropolitan cities combined for 25 Mbps/3 Mbps broadband access in 2018.
- Residents of first class cities, second class cities, and villages combined paid on average 112% more than residents of primary and metropolitan cities combined for 25 Mbps/3 Mbps **fiber** broadband access in 2018.
- The technologies most likely to be available in rural areas, DSL and fixed wireless, have the highest per Mbps cost. The average cost per Mbps for fixed wireless (\$9.38) is over three times the cost per Mbps for cable (\$2.90) and over ten times the cost per Mbps for fiber (\$.89).

Dr. Matt Miller and Dr. Angela Hollman provided information on a speed test study sponsored by Nebraska Public Power District, Nebraska Rural Electric Association, CoBank and Tri-State. Each participating household receives a BOB (Big Operation Bandwidth) unit which collects multiple speed tests per day. Users also take a survey on internet type, cost and satisfaction. Preliminary results with 320 participants found that average download speeds are under 25 Mbps. Average download speeds in villages and rural areas are lower than average download speeds in first and second class cities. Nearly

half (45%) of participants report subscribing to the highest speed package available. The State of Nebraska Office of the CIO has offered mapping assistance to the UNK team.

Ansley Mick shared information about Nebraska Farm Bureau's mobile wireless speed tests. The Nebraska Farm Bureau collected over 2,000 mobile speed tests using the FCC's speed test app. However, only 605 (27.5%) of the tests were usable/mappable. The Nebraska Farm Bureau intends to continue collecting data. A map developed by the State of Nebraska Office of the CIO is available at <https://nebraska.maps.arcgis.com/apps/opsdashboard/index.html#/3fd4e11eb7e04b31a0eb0b7adec710e4> .

Mr. Toner thanked the panelists for their research and for sharing the results with the task force.

ADJOURNMENT

Mr. Hunnicutt moved to adjourn. Ms. Ridder seconded. All were in favor. Motion carried. The meeting was adjourned at 4:15 p.m.

Meeting minutes were taken by Lori Lopez Urdiales and reviewed by Anne Byers, Office of the CIO.