



County of Santa Cruz

0047

COUNTY ADMINISTRATIVE OFFICE

701 OCEAN STREET, SUITE 520, SANTA CRUZ, CA 95060-4073

(831) 454-2100 FAX: (831) 454-3420 TDD: (831) 454-2123

SUSAN MAURIELLO, J.D., COUNTY ADMINISTRATIVE OFFICER

June 16, 2014

Agenda: June 24, 2014

BOARD OF SUPERVISORS
County of Santa Cruz
701 Ocean Street
Santa Cruz, CA 95060

CSAC 2014 CHALLENGE AWARDS

Dear Members of the Board,

Each year, the California State Association of Counties (CSAC) sponsors special Challenge Awards to recognize California county governments for innovative and creative programs and services to their citizens. Awards will be presented at the Association's Annual meeting in November. In order to apply for a Challenge Award, CSAC requires authorization from the County Board of Supervisors. The purpose of this letter is to recommend approval of the attached resolution endorsing the entry of the Santa Cruz County Broadband Initiative into the CSAC competition.

It is therefore **RECOMMENDED** that your Board adopt the attached resolution authorizing the County to enter the CSAC Challenge Awards Program for 2014.

Very truly yours,

SUSAN A. MAURIELLO
County Administrative Officer

Attachments

cc: Information Services Director
Planning Director
Public Works Director

BEFORE THE BOARD OF SUPERVISORS
OF THE COUNTY OF SANTA CRUZ, STATE OF CALIFORNIA

0048

RESOLUTION NO.

On the motion of Supervisor
duly seconded by Supervisor
the following resolution is adopted:

RESOLUTION AUTHORIZING THE COUNTY TO ENTER
THE CSAC CHALLENGE AWARDS PROGRAM FOR 2014

WHEREAS, the California State Association of Counties (CSAC) is sponsoring the CSAC Challenge Awards; and

WHEREAS, the County of Santa Cruz desires to participate in the 2014 Challenge Awards; and

WHEREAS, the County is submitting an application entitled "Santa Cruz County Broadband Initiative" for consideration by CSAC; and

WHEREAS, the County agrees to the program's requirements and responsibilities as set forth by CSAC for entering the awards program;

NOW, THEREFORE, BE IT RESOLVED that the Santa Cruz County Board of Supervisors hereby authorizes the submission of the above referenced application to CSAC for the Challenge Awards Program.

PASSED AND ADOPTED by the Board of Supervisors of the County of Santa Cruz, State of California, this 24th day of June, 2014 by the following vote:

AYES:	SUPERVISORS
NOES:	SUPERVISORS
ABSENT:	SUPERVISORS
ABSTAIN:	SUPERVISORS

Chair of the Board of Supervisors

ATTEST: _____
Clerk of the Board

Approved as to Form:



County Counsel

cc: County Administrative Office
Auditor-Controller
County Counsel
Information Services
Public Works
Planning

ENTRY FORM



You may type this information on a separate sheet and submit as Page 1 of your entry:

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Population Category:

- Under 50,000 50,000 to 200,000
 200,001 to 750,000 750,001 and above

County of Santa Cruz

County(ies) Name(s)

Nicole Coburn, Senior Administrative Analyst

Contact Name and Title

701 Ocean Street, Room 520

Mailing Address

Santa Cruz, CA 95060

City

(831) 454-2100

State

Zip

Phone

Ext.

nicole.coburn@santacruzcounty.us

Email

TITLE OF THIS ENTRY

(to be used on award – seven words maximum)

Santa Cruz County Broadband Initiative

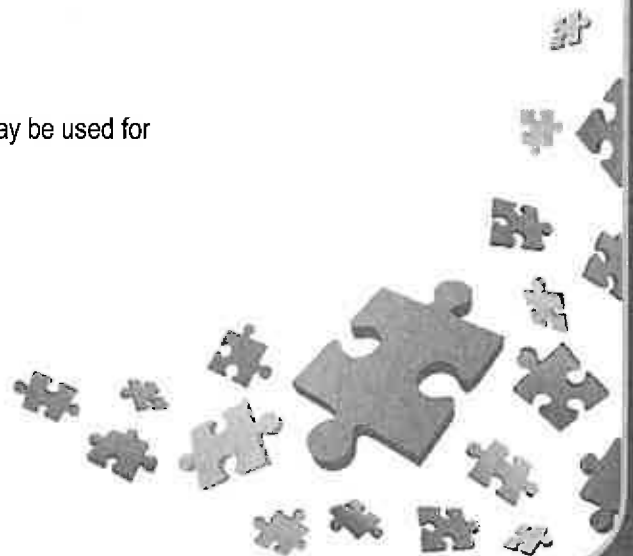
INCLUDE THE FOLLOWING FOR EACH ENTRY:

- Completed entry form
- 2-Page executive summary
- Copy of endorsement letter authorizing entry. One letter may be used for multiple entries, but please include a copy for each entry.
- Enclose payment of \$75.00 for each entry. One check may be used for multiple entries.
- Send two (2) complete copies for each entry

Checks should be made payable to:
CSAC Challenge Awards.

Mail or deliver all of the above to:
CSAC Challenge Awards

1100 K Street, Suite 101, Sacramento, CA 95814



Overview. The Santa Cruz County Broadband Initiative consists of policies designed to create a competitive local environment for privately-owned broadband networks.

Problem. The consolidation of corporate interests providing broadband data services has resulted in a few large Internet Service Providers (ISPs) dominating the data transmission market. In Santa Cruz County, this has led to an environment wherein network and service improvements occur only in places where corporate providers can profitably expand their networks. Due to accidents of topography, though, the predominantly rural Santa Cruz County has many tracts of inhabited and residential land that are being left out of the information revolution that has characterized the 21st Century. Like in many rural counties in the State of California, residents in portions of Santa Cruz County do not have access to current broadband technologies; and with no economic incentive to bring these technologies beyond the Urban Services Line, it is unlikely that they will see these technologies in the near future.

The problem in Santa Cruz County was further exacerbated by the enactment of the Digital Infrastructure and Video Competition Act (DIVCA), which removed video franchising authority from local governments. Local governments could once negotiate directly with data providers to include access to broadband for far-flung constituencies in their franchise agreements, but now broadly-drawn state proliferation requirements allow data monopolies to ignore entire neighborhoods as long as certain statistical requirements for service provision are met. In areas like Santa Cruz County, this has led to concentrations of modern data transmission services within the urban corridor while homeowners less than five miles away are left with legacy technologies. Local government entities once had some say in the deployment of modern data technologies in their jurisdictions, but now are restricted to oversight of the permit application process.

Finally, SB 740 (2013) limited local government access to state funding for the development of their own broadband networks, specifically in areas where a corporate incumbent has a network in place. The stated intent of SB 740 was to encourage the development of rural broadband networks, but the application process gives the first crack at these areas to corporate monopolies, further promulgating institutional intransigence. Furthermore,

in areas that are technically served by broadband, there is no California Advanced Services Fund financing available for local governments to build out networks to functionally underserved portions of their community.

Solution. Santa Cruz County initiated a discussion with corporate ISPs and smaller, local ISPs to determine what could be done to foster better broadband access in the County. From these conversations were derived policy recommendations to create master lease agreements that allow access to County resources for the installation of next-generation data technologies, a reformed and streamlined permitting process for broadband facilities, an evaluation of permitting fees to ensure that they reflect actual costs, a 'dig once' ordinance that requires the installation of fiber-ready conduit in public rights-of-way whenever there is construction, reconstruction or repaving, and fiber conduit specifications. Ideally, our policies will make it easier for fiber infrastructure to be established in the County with the intent that providers other than national corporate entities will be able to enter the market. By establishing the fundamental requirements for broadband technology (conduit, one-stop permitting, competitive fees), existing and perhaps new local broadband providers will be able to build out their networks, creating a truly competitive broadband marketplace.

Budget/Costs/Savings. The only up-front costs were staff time in developing the policies. Any saving accrued will be to broadband providers that will no longer need to trench and lay conduit for their fiber (\$30/linear foot), which was one of the main impediments for smaller, local broadband companies. By fostering a data transmission market through fiber expansion, market forces should drive consumer costs lower.

Results. The policies have engendered a great deal of interest from incumbent broadband providers to build out their networks. AT&T has submitted applications for broadband expansion throughout the County, while local providers such as Cruzio have stepped up their efforts to expand their fiber offerings. Two other local broadband providers have indicated that our policies will create greater opportunities for them to sell their products within the community. In addition, the Governor's Office of Business and Economic Development and the California Emerging Technology Fund have presented our policies as models for use elsewhere in California.

Project Contact. Nicole Coburn, Senior Administrative Analyst, County Administrative Office, 701 Ocean Street, Room 520, Santa Cruz, CA 95060, (831) 454-2100