

**Open Work Session
Update on Broadband
June 15, 2021**

Mr. John Psota, Acting County Executive, and Mr. John Monar, Director of Information Technology, came before Council. Mr. Monar said the County continues to maintain an open line of communication with the broadband internet service providers (ISPs) and all of major players in the region collecting and providing up-to-date information, and the goal of these efforts is to assist ISPs in identifying potential expansion projects within the County that reach the most populated unserved areas. He explained, broadband, as defined by the FCC, is internet service with at least 25 megabit download and 3 megabit upload speeds, and has existed in the County for the past 20 years. He said over the past two years there have been three major middle mile broadband expansion projects funded by the State and constructed by Maryland Broadband Cooperative, which is a nonprofit organization supported by its members that constructs open access fiber optic networks in rural communities so its members can provide last mile internet service to potential customers. He said these three middle mile fiber optic projects allow for ISPs to reach unserved areas in Hebron, Quantico, and Tyaskin.

Mr. Monar said, as previously discussed at the last meeting, in the first round of funding the FCC awarded Talkie Communications, a private ISP out of Chestertown Maryland, over \$50 million dollars to build fiberoptic broadband networks throughout the State of Maryland in unserved areas. He reported, in Wicomico County specifically, there are more than 80 designated broadband internet service build-outs to unserved census block areas as part of this grant, and it is their understanding that the timeline to complete these build-outs is around six to eight years. He said at some point there will be a second round of funding released by the FCC that is anticipated to assist network build-outs in partially unserved areas. He said the planning, engineering, and constructing of fiberoptic broadband internet service networks is an expensive and time-consuming endeavor; therefore, it is imperative to recognize that these build-outs are long-term projects. He said the County continues to review federal and State grant funding programs as they become available and carefully and responsibly weigh them against grant funding for broadband expansion projects they know have already been awarded, so they are taking a fiscally responsible and common sense approach with their efforts. He said it is important to note that some grant programs require matching funds; however, they have not seen a requirement that the local jurisdictions be the direct source of these funds. He explained, the source of matching funds can come from the ISP or from another grant program that the ISP had already been awarded.

Mr. Monar said, at the Federal Government level, the National Telecommunications and Information Administration (NTIA) recently released a broadband infrastructure program funding opportunity, and he reviewed this and discussed it in detail with the Office of Statewide Broadband, but since the FCC already awarded funding to subsidize broadband expansion in unserved census block areas of the County to Talkie, these uncertain areas do not qualify for the NTIA funding opportunity.

Mr. Monar said, at the State level, the newly formed Office of Statewide Broadband will be hosting listening sessions in the coming months in an effort to receive input from local jurisdictions and ISPs on how to structure future grant programs, and the County plans to be an active participant in these sessions. He said the State will also be constructing a wireless education network for student use on the Eastern Shore to cover areas currently lacking broadband using state-of-the-art wireless technology. He

said the State is also conducting a survey speed test that is designed to gather data about the availability of internet service, including locations that lack service; therefore, even if someone does not have internet access at their home or business, they can submit their address through this survey. He said the State internet speed is accessible from the link from the homepage on the County's website, and they encourage all residents to participate in this survey, as information collected through the survey will be helpful to the State in their effort to improve mapping information and planning future projects.

Mr. Cannon thanked Mr. Monar for attending the meeting and said he very much appreciates him taking the initiative to oversee broadband. He said he does not know if the Acting County Executive has reworked his job description, as IT is really supposed to be handling IT for the County government, and Mr. Monar has taken on a new role in representing the County as a whole, and he appreciates Mr. Monar taking the initiative. He said he has spoken to people in the State of Maryland who have also mentioned the great work Mr. Monar is doing for Wicomico County, to which Mr. Monar responded, he appreciates Mr. Cannon's kind words, but his work has been under Mr. Psota's direction, and everything he has done has been initiated by Mr. Psota, along with other duties as assigned.

Mr. Psota thanked Mr. Cannon for pointing this out and said when he first came to the County he found a good person and loaded him up; he told Mr. Monar he needed to know everything about broadband, and Mr. Monar stepped up to the plate. He said Mr. Monar is on a first name basis with all the major players in broadband, and he would challenge anyone to outdo Mr. Monar on his knowledge. He clarified, there has not been a reworking of his job description because that would entail more money. Mr. Cannon asked what is wrong with that, to which Mr. Psota responded, they are working on it.

Mr. Psota said broadband is now being focused on because of the pandemic this past year and half, but broadband has been around since the early 2000s. He said, through the Board of Education, healthcare, and economic development, broadband is a high priority for his Administration and they are making sure they do it smartly and responsibly for the taxpayers because, even though they hear there is money from the Federal and State Government, it is still County tax dollars, so they are making sure to spend it responsibly. He said he does not want to be in a position in ten years and someone points to Wicomico County asking why they bonded \$200 million dollars to put in broadband and a couple years later the private sector did it under the free market system, so he wants to make sure they do this responsibly.

Mr. Cannon said that is a good point; if they get in too quick and the private enterprise could have done it for them, this is paramount for even the individual citizens of Wicomico County. He said Mrs. Acle held a townhall meeting on the west side about a month ago and it was packed; unfortunately, there were more questions than answers. He said there were ISP providers and Maryland Broadband attended the meeting. He said, after the meeting, the citizens wanted to know when it was coming and the ISP providers were handing out brochures showing it would cost \$60 per month, like it was going to happen tomorrow, but this leads to more questions. He then asked, how is the County going to deal with the grants and contracts with the ISPs, and what is the County's role with the ISPs? He said there were six ISPs that attended the townhall meeting. He then asked how this will tie into the Board of Education. He said Maryland Broadband is laying the trunks down, which is wonderful, but they found out about it indirectly, so it would be nice to have a more concise understanding from a Council perspective of what their role is as a County in funding and infrastructure-wise.

Mr. Monar responded, it was great to see that many ISPs at the townhall meeting that are looking to utilize that middle mile trunk that was built by Maryland Broadband. He said they have an open line of

communication with Maryland Broadband, so they will know if a project is coming about, and they can certainly continue to update the Council if any of that information comes about.

Mr. Monar said, in terms of the Maryland grants, they have to look at how they are going to be structured in the future. He said he thinks the structure of the grants is going to change in the future, which is why Rick Gordon's office with the State is going to host some listening sessions to take input from local governments and even internet service providers on how to make the process faster, and how to streamline getting money into the right hands to the right folks that are the experts in putting this cable in the ground. He said the County will be a participant in that, and they will see what changes come about when they release those grants at some point this fall. He said there is mixed bag of how different Counties across the State look at broadband, whether they want to be involved or not. He clarified, some of the bigger Counties have broadband departments within their County Government that might be a sub-department of their IT Department, but those are pretty significant size Counties that can afford to do something like that. He said some of those Counties actually own their own broadband infrastructure and are actually in the business and they compete against other ISPs and private companies. He said there are a decent amount of Counties that want absolutely nothing to do with broadband, as they do not feel it is their business as they are not experts in broadband and they want to see the private companies, who know what they are doing, get the grant funding from the State or Federal Government in a way that does not put a large burden on the small County Government. He said let them go to work and get the cable in the ground and make it available.

Mr. Monar said over the next probably two to ten year timeframe they are going to see a significant build-out by private ISPs and non-profit ISPs based on the funding they get through the State and Federal Government competing and possibly laying cable over top of each other. He said they are going to see competition for citizens, which he thinks is good for everyone, especially in terms of monthly costs as it is not free to have it in a house. He clarified, they just do not put a cable in a house and all of a sudden they have internet, they have to pay the monthly bill that could be from \$50 to \$150 per month, even if they put cable past ten residences. He said, in this County when they get outside the metro core it is very, very rural and it might take a mile of cable to pass ten houses that do not have service.

Mr. Psota added, that is why they are where they are because the economic model just has not worked as the stimulus funding is through potential grants, so they need to make sure they do it correctly and efficiently. He said anyone can make the argument that, if they want broadband throughout Wicomico County, maybe government is not the one to get it done, but they are trying, as there are baby steps on what they are doing right now because the emphasis has been focused on getting this buildout.

Mr. Psota said Mr. Cannon mentioned six ISPs, but there are more in the Broadband Co-op, to which Mr. Monar added, he does not know the exact number, but he knows it is upwards of 90+ members in the Co-op. Mr. Psota said, in their conversations with the State, they are having these listening sessions over the summer and the County will be involved in those. He said it is such a fast-shifting and expensive proposition and enterprise, so they want to make sure they strategically plan correctly and do it right.

Mr. Cannon said one concern he thinks is legitimate as far as private enterprise is there may be an ISP that is only be interested in going to the 100-house neighborhood and will ignore the three houses between the trunk and the 100 houses in that neighborhood. He said it may not be cost effective for them, but those people need service as well, to which Mr. Psota responded, that is what they continue to explore in their conversations with the ISPs. He said, if they have a grant that extends to a certain

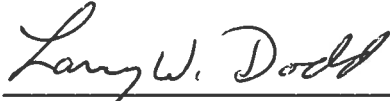
area and some choose not to sign up because there is an expense, the homeowner is going to have to eventually pay a bill for the high-speed internet, and some will, but some just do not want to hook up.

Mr. Hastings said we would not be here without the Rural Maryland Council (RMC) being the lead advocate, and when he was the Chair of the RMC, they were hosting all the discussions. He said for four years the RMC was hosting all of the discussions, which led to the State funding and right at the core of that was the Tri-County Council. He said Mr. Greg Padgham has done a fantastic job working with the trunk line, and Choptank Electric was given the legislative authority to now expand into broadband.

Mrs. Acle said she was chomping at the bit to get broadband a year ago and Ms. Psota and Mr. Monar were very methodical in how they were going to approach it and she appreciates that. She said they are now seeing more competition with the ISP providers, and she knows two ISP providers that are applying for grants to cover the Nanticoke area further down past Bivalve. She said it is really making it more competitive with the ISP providers to bring that model rather than the County getting into the business of broadband, and she sees it is definitely moving much faster.

Mr. Psota said he does not think it is an exaggeration to say that they are going to see that speed get speedier as competition drives things. He said they are hearing it is a six to ten year build-out on some of these projects, but it probably is not going to be that long.

There was no further discussion.



Larry W. Dodd, President, District 3



Joe Holloway, Vice President, District 5



John T. Cannon, At-Large



William R. McCain, At-Large

ABSENT

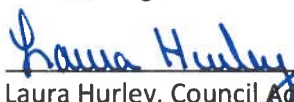
Ernest F. Davis, District 1



Nicole Acle, District 2



Josh Hastings, District 4



Laura Hurley, Council Administrator