

From: Kit Burns <kburns.wcb@gmail.com>
Sent: Monday, March 30, 2020 3:13 PM
To: Flowers, Jackie; Pauli, Elizabeth; City Clerk's Office
Cc: Tacoma Public Utility Board; Debbie Cockrell; Fosbre, Bill (Legal); Bacha, Chris (Legal)
Subject: Click Network - Open Access Network - Advanced Stream - Kit Burns Customer

Follow Up Flag: Follow up
Flag Status: Flagged

Dear Jackie,

I called Rainier Connect just after lunch. Apparently they don't appear to be aware of your letter regarding the transfer of service. That is how it sounded to me. They weren't clear on what the transfer policy or procedure is. I have my own modem that I paid for. I have paid for service until December.

As I mentioned it needs to be delayed for multiple reasons. One is that the open access has not been arranged. I see this as a failure of the process and additional cause for delaying any action this until the issues are sorted out. To rush this during a Pandemic can't be a good idea.

I would have expected to have a joint letter from The City, Advanced Stream, and Rainier Connect expressing the way forward.

I paid for a year of 25 mbps service. How does that transfer, what is the process?

Per the Open Access Requirement of the BTA and IRU and the 12 policy goals, where is my \$576.00 going?

Is Rainier Connect taking service over? Is TPU dismantling Advanced Stream? Will their customers simply be dropped? I have had 3 months of service from Advanced Stream. My agreement ends in December. I am on an annual basis payment and get a discount.

Surely this has been figured out.

I would like to know what negotiations have taken place and what provisions have been made to ensure a smooth transition. Is there an independent negotiator?

Advanced Stream is portrayed as "the bad guy" but I would like to hear what has been put on the table as part of the discussions and what Rainier Connect has on offer. Essentially, the other side of the story.

Something isn't right in this situation.

Please push the pause button. Don't leave me in the dark or other Advanced Stream Customers. Advanced Stream has a considerable reputation and considerable investment. A quick rough calculation is a value of more than \$4,000,000 and possibly more.

What the City can do is to bring others into the discussions and see that they are fairly and transparently done in the best interests of the parties.

With the advent of the Corona-virus, the best thing is to work this through. Are they providing and open access net work as they promised in writing and publicly? If so, then let's see it. If not let's work this out getting others involved to hear both sides, and get it resolved.

This has to go smoothly or it will be a major failure for the City of Tacoma.

I would like to discuss this with you and hope that you will pause the transfer of operational control until this is resolved.

Thank you. Sincerely,

Kit Burns
253.820.7392

Bellow is a letter from Advanced Stream regarding the issues as they see it:

Advanced Stream Letter:

Subject: Coming Failure of Essential Services -Warning to City Council and TPU Board

Dear Mayor Woodards, City Council and TPU Board Members,

I am writing to provide a final warning and remind you that tomorrow will be another impossible day.

We will certainly see another failure in our System's critical ability to provide essential telecommunications services to customers over our municipal system.

For 20 years, Advanced Stream has taken pride in answering phone calls on the first ring, with a real human there to provide tech support.

Tomorrow, when Advanced Stream is overwhelmed with thousands of phone calls —we had 4 calls per minute at times on Friday—it will be impossible to answer all the calls.

Moreover, impossible to return all the calls.

People's lives may be in danger.

When outages or equipment failures occur, customers must be able to reach their ISPs —so we can troubleshoot and fix their services.

On a normal day, we repair more than 25 – 50 such failures.

Small network outages occur everyday, like when a car hits a pole, or a tree falls, or network equipment fails. We have procedures and are prepared to handle those call volumes.

However, with the additional pressure of the pending “transition,” Advanced Stream, and likely other firms, will NOT be able to support those essential phone calls tomorrow.

When the Internet goes down tomorrow, essential services will be interrupted. Services like Email, VoIP phones, alarms and security systems, heart monitors etc.

Essential employees are now working from home —even doctors seeing patients via telemedicine. We cannot afford interruptions in their services. With so many people working from home, and students taking their classes from home, please think twice about what you are doing.

The Pierce County Sheriff's Department, Pierce County Emergency Response, Pierce County Annex are among my many customers.

Medical facilities, like CHI Franciscan and Good Samaritan, food facilities, banks etc. Are among the many commercial customers

we support.

Because of the impossible workload this transition is placing on Advanced Stream's limited resources, even these most essential customers will be unable to reach their ISPs for support.

I beg the Council, Board and TPU management to think twice about what is happening here.

When your ISP partner cannot take all these important calls —or return them — the Internet will be broken in places.

We will be lucky if we can keep our voicemail box from filling up, since it only holds 40 messages. Customers may hear a "mail box is full" message for the first time in our company's 20 year history.

Attempting to transition Advanced Stream's 9,000 customers in such a way is destroying our ability to provide and maintain these essential services.

I can't hire or train more people, because I am out of business tomorrow, Monday, at 7PM.

You are placing peoples lives in danger —during a state of emergency.

If a customers VoIP phone isn't working and that customer has a fire or emergency, just imagine the consequences.

If this transition is really going to happen, YOU MUST SLOW IT DOWN.

Otherwise, on Monday night, at 7 PM, when Advanced Stream's customers are taken over at once, and my employees are furloughed, Advanced Stream's poor customers will suffer without the support for the essential services they require. I can't imagine Tuesday.

Then, the City will then be on their own with this. I am saddened and cannot express how disastrous this will be.

Advanced Stream has requested continuation of our contract, even for a month, so we can support our customers during this time of emergency, but Rainier Connect and the City has refused to provide that.

I wish you the best of luck. Please know we tired everything to reach an agreement to continue services, but Advanced Stream's long time competitor appears set on destroying competition and monopolizing our public system.

No one is thinking about the customers, many of whom will be in tears and in danger tomorrow. All of this during an epic pandemic.

Thank you for the 20 wonderful years and opportunity to serve our community. There is still time to make this a safe and happy ending.

Sincerely,

Advanced Stream

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Kit Burns
PO Box 2341
Tacoma, WA 98401

From: Kit Burns <kburns.wcb@gmail.com>
Sent: Monday, March 30, 2020 11:22 AM
To: Blocker, Keith
Cc: Walker, Kristina; Beale, Chris; Hines, John; Pauli, Elizabeth; City Clerk's Office; Flowers, Jackie; Woodards, Victoria; Hunter, Lillian; Tacoma Public Utility Board; Debbie Cockrell; acobb@tacoma.k12.wa.us; sheinze@tacoma.k12.wa.us; eleon@tacoma.k12.wa.us; lkeatin@tacoma.k12.wa.us; ebonbri@tacoma.k12.wa.us; tbeatti@tacoma.k12.wa.us; dvoelpe@tacoma.k12.wa.us; superintendent@tacoma.k12.wa.us
Subject: Click Network Financial Analysis - And Open Access Network - 12 Policy Goals

Follow Up Flag: Follow up
Flag Status: Flagged

Dear Keith,

I sent a letter to the PUB director, the Mayor, and the City Manager today.

The Operational Transfer must not occur without a financial analysis to show that the arrangement is in the best interests of the citizens, in every aspect.

I want to see the analysis that shows the financial impacts of the BTA and the IRU. Although I have a response to a PDR saying that "No Records Exist", I realize that can't be possible.

My calculations show that we will be losing money and the arrangement will be costly to the City, year after year.

I have asked them to delay the action of Operational Transfer for at least 30 days. This is more than reasonable.

I am sure the attorneys will say "you will get sued". And you will be told "it's not possible, it's too complicated." The idea is to instill fear and close a deal that is appears to be flawed and to close it without scrutiny. Even as 'conditions of precedent' appear to have not been met.

The Goal of Network "#5 Open Access" apparently has not been completed. You may be told that requirement can be or is being waived. If that is the case, then every one of the Policy Goals can be waived. They are just vague and not really part of the enforceable Contract.

If you can "waive" one Policy Goal. . . .you can waive all of them. Making them meaningless.

One of the shortcomings of the IRU, I believe, is that it doesn't address the bankruptcy of the Operator. There is no discussion of what happens. It is thus left to the courts to address and out of the control of the Council. Based on the March 3 joint study session of the Council with the PUB, CTC fundamentally indicated it will be sold in the future.

Board Chair Karen Larkin's question and Chris Bacha's response at about the 1-hr 8 min mark, and a little bit after,. . . "the bankruptcy court will take control of the disposition of Click asset" (paraphrased).

From the November 5th meeting it appears the City Council may believe if Rainier Connect doesn't perform, Click will be returned to the TPU and the City. That is not the case.

I am concerned there is no language in the IRU to return Click Network and fiber to the public. I have looked in vain. I see no method of ever returning it to the City.

Also, I am concerned that ALL FIBER are given to the operator without compensation. Nothing of the \$202 million asset reserved without regard to the future of Tacoma. JoAnn Hovis said per the March meeting in response to Council Member Ibsen's question if the agreement included all of the Dark Fiber. Her response was "no" as I recall.

Click has used only one tube of 12 strands for the past 20 years. It does not make sense to freely give away additionally 9 tubes of 12 fibers each. In the future the City will likely have an unforeseen use to benefit the citizens. If all fiber is included and none reserved for the City we have no voice in our City. Perhaps in addition to the iNet, an educational only network to eliminate the digital divide could be developed.

Please contact the City Manager, the Public Utility Director, and the Mayor to have them pause the transaction.

We need to have the financial analysis done. We need to have all Policy Goals adhered to. We need to consider how to have city-wide connections for educational and work requirements of the community. This need is especially clear at this moment in history. I don't take this requirement lightly.

I am sure the Tacoma Public School Board would support connection of ALL Tacoma public students. We could be the first in the nation to have a district "without a digital divide."

We are all in quarantine today. We must all be connected. Workers and Students.

Thanks for your attention to this critical issue.

I would be happy to discuss my specific concerns in greater detail.

Thank you, Keith.

Kit Burns

253.820.7392

1010 6th Avenue, Tacoma

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Kit Burns

PO Box 2341

Tacoma, WA 98401

"We the people of the United States, in order to form a more perfect union, establish justice, insure domestic tranquility,....., promote the general welfare, and secure the blessings of liberty to ourselves and

our posterity, do ordain and establish this Constitution for the United States of America. . . "

From: Kit Burns <kburns.wcb@gmail.com>
Sent: Monday, March 30, 2020 8:54 AM
To: Flowers, Jackie; Pauli, Elizabeth; Woodards, Victoria; City Clerk's Office
Cc: Tacoma Public Utility Board; Fosbre, Bill (Legal); Hunter, Lillian; McCarthy, Conor; Beale, Chris; Thoms, Robert; Flint, Bryan; Cooley, Christine; Blocker, Keith; Ushka, Catherine; marty.campbell@piercecountywa.gov; Debbie Cockrell
Subject: Advanced Stream - Change of Service - Push Pause
Attachments: 2020-0330-TPU DirectorFlowers Service KB Notations.pdf

Follow Up Flag: Follow up
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If policy goal #5 Open Access is waived, I assume that all policy goals can and will be waived.

Please push the pause button. Do not transfer operational control until this is resolved and a complete financial analysis is completed and provided to the PUB, City Manager, City Council and citizens of Tacoma. Thank you.

March 30, 2020

Ms. Jackie Flowers, Director

Tacoma Public Utilities

P.O. Box 11007

Tacoma, WA 98411

Subject: THIRD REMINDER OF CHANGE IN SERVICE MARCH 31

Dear Director Flowers:

I received the above letter this weekend, on Saturday. I have reviewed the letter and offer the following comments.

One of the policy goals is to have an 'Open Access Network'. [**5. Open Access**]

Although I don't know all of the specifics, has that been achieved? It appears not from your letter.

If not, then to ignore that important requirement would set a precedent. As a result, to 'waive' this one requirement, it would allow all of the 12 Policy Goals established by the City Council, essentially be 'waived' in the future.

This would make irrelevant the publicly stated interests of this entire process. Including the interests of the Public Utility Board, the Mayor, the members of the City Council and the members of the community.

Please press the pause button until this is resolved.

It is a requirement of the BTA-Business Transaction Agreement. The system can continue to operate as it has been until the 'i's are dotted and the 't's are crossed. It must not be 'waived'.

Chris Bacha said on November 5th that it might take up to 180 days to Transfer Operational Control. That would be May 5th. So, there is time. Haste makes waste.

I have asked the Public Utility Board, the City Manager, the Mayor, and the Tacoma City Council for the **Financial Analysis** of this transaction. This must be done in advance of the transfer of Operational Control. It is a basic requirement for a lease or a sale. It must show that negotiations are done in good faith and to the reasonable financial and community interests, to the benefit of citizens, not to their detriment. Nor giving unjust enrichment to a private company or individuals; fair market value.

The **Financial Analysis** must explain the tangible loss of \$26.5 million yearly to TPU, the loss of \$5million of profits (depreciation), the loss of jobs to the community, the value of the loss to the Tacoma School District of the ability to include internet access to every student in Tacoma. And of course, the loss of internet competition. The current amount of \$2.5 million will result in a financial loss.

DARK FIBER QUESTION - Additionally, at the March 5th PUB/City Council Joint Study Session, Council Member Ibsen directly asked JoAnn Hovis of CTC Technologies if the dark fiber was included. That concern was expressed by other PUB and City Council Members as well. Ms. Hovis response was clearly "No". I was left with the understanding the dark fiber was not included. Now it seems that all of the fiber was tossed in. It appears to have been included in the transaction. How is it compensated for? Who made that authorization? We need to reserve at least 6 tubes of fibers for the community.

This IRU blocks the future use of the fiber for an unforeseen need by the City. Yet it is a considerable portion of the \$202 million dollar that the rate payers paid for. Can they be given that free? More than 1,428 miles of fiber?

A UNIQUE MOMENT IN HISTORY - It appears that without universal internet/broadband we will have a permanent digital divide in Tacoma. Over 750 cities nationwide have voted to provide municipal broadband. With home learning, working at home, which may last as long as 12 to 18 months of quarantine we need community broadband more than ever.

Corporations have divided up the country and continue to provide one of the worst internet systems and at the highest cost. That is their business model. The City of Tacoma has a system in place – we just aren't connected. We need to be and could be easily to all 30,000 students and more. We need to make provisions for that now.

I would like to discuss this with you and the City Manager today.

As a concerned and engaged citizen, I appreciate your consideration of this important community issue.

Sincerely,

Kit Burns

Cc;

City Council

Mayor

Public Utility Board

City Attorney

Tacoma Public Schools

Other Interested Parties

Attachments: March 26, 2020 reminder – Change of Service with KB Comments

12 Policy Goals

Kit Burns
PO Box 2341
Tacoma WA 98401 kburns.wcb@gmail.com 253.820.7392 cell

March 30, 2020

Ms. Jackie Flowers, Director
Tacoma Public Utilities
P.O. Box 11007
Tacoma, WA 98411

SUBJECT: THIRD REMINDER OF CHANGE IN SERVICE MARCH 31

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One of the policy goals is to have an 'Open Access Network'. [**5. Open Access**]

Although I don't know all of the specifics, has that been achieved? It appears not from your letter.

If not, then to ignore that important requirement would set a precedent. As a result, to 'waive' this one requirement, it would allow all of the 12 Policy Goals established by the City Council, essentially be 'waived' in the future.

This would make irrelevant the publicly stated interests of this entire process. Including the interests of the Public Utility Board, the Mayor, the members of the City Council and the members of the community.

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I would like to discuss this with you and the City Manager today.

As a concerned and engaged citizen, I appreciate your consideration of this important community issue.

Sincerely,



Kit Burns

Cc;

City Council
Mayor
Public Utility Board
City Attorney
Tacoma Public Schools
Other Interested Parties

Attachments: March 26, 2020 reminder – Change of Service with KB Comments
12 Policy Goals



A financial analysis of this transaction needs to be completed to show that this IRU is in the best interests of the City. My analysis shows that we will be financially supporting a private company and will lose more than \$26.5 million a year of income for our \$202 million investment. The \$2.5 million fee is clearly offset by the lost income of \$2.1 million in direct losses from taxes and operations payments. **THE FINANCIAL ANALYSIS IS NECESSARY** as normal due diligence.

Also an explanation is required as to how **ALL OF THE FIBER** network is being given to a private company with out any compensation to the City. At the March 5, 2019 TPU/City Council Meeting in response to Councilmember Ibsen's question if the 'dark fiber' was to be included, CTC - Jo Ann Hovis stated emphatically "NO". And yet it seems to have been included.

March 26, 2020

At the Nov 5, 2019 meeting City Attorney Chris Bacha clearly said that this might take 180 days. That will be May 5 th.

Subject: **THIRD REMINDER OF CHANGE IN SERVICE EFFECTIVE MARCH 31**

Dear Advanced Stream Customer:


In light of the current public health crisis, we understand that now, more than ever, internet and telecommunications services are an important service to you and your family. This is why we are sending Advanced Stream customers this final reminder that on March 31, 2020, Tacoma Public Utilities will transfer operational control of Click! Network to Rainier Connect.

We understand that this transition is happening at a difficult time and have explored several options for our current transition plan, including postponing the transfer. **After examination, we have determined that postponing is not possible.** The transition process began several months ago, and today, Tacoma Public Utilities no longer has the staffing or resources to continue providing service. Postponement at this stage would carry more risk for loss of service than moving ahead with the transfer as planned. Therefore, starting April 1, 2020, Rainier Connect will begin providing cable television services, Internet access services, and other related telecommunications services.

Advanced Stream currently provides you with Internet access through an agreement with Click! Network that will expire on Monday, March 30, 2020. Advanced Stream and Rainier Connect have been in discussions regarding a new agreement to allow Advanced Stream to continue providing internet access service after March 30. If you receive other services through Advanced Stream, such as **e-mail or voice (telephone) services**, please contact Advanced Stream directly to determine if they will continue to provide those services after March 30. In the event that an agreement between Advanced Stream and Rainier Connect is not reached by March 30, 2020, Advanced Stream will no longer be authorized to provide internet access services over the Click! Network. On behalf of Tacoma Public Utilities, I want to express our thanks to Advanced Stream for over 20 years of service to our community.

As we have stated in our prior correspondence with you, expiration of the Advanced Stream agreement **DOES NOT** mean that your internet access services will immediately stop. If an agreement cannot be reached with Advanced Stream, Click! Network and Rainier Connect have agreed to continue providing internet access services to former Advanced Stream customers for a limited time after March 30. This **GRACE PERIOD** will give you time to transfer your internet access services to another internet access service provider.

At Tacoma Public Utilities, we have been doing everything we can to make sure this transition does not affect your internet access. Additional information on this event is available at <https://www.mytpu.org/community-environment/projects/click-network-update/>

Sincerely,

 Jackie Flowers, Director
 Tacoma Public Utilities

Actually postponing is possible. Holding everything as it is without change until open issues are resolved and completed. And it is necessary. One of the policy goals is item 5 - Open Access. Note that if this policy goal requirement is "waived" and thus void, all of the 12 policy goals can be "waived" and become void and un-enforceable. That would set a dangerous precedent. None of the goals are required and thus will never be achieved.



CLICK! BUSINESS TRANSACTION AGREEMENT

POLICY GOAL CONTRACT TERMS

The following summarizes and references the proposed contract terms found within the Click! Business Transaction Agreement that implement the 12 policy goals adopted by the Tacoma Public Utility Board and City Council.

POLICY GOALS

1. Public Ownership of Assets

- 20-year IRU term, two 10-year renewal terms possible (IRU Sec. 4(a)-(b))
- DOCSIS 3.1 upgrade and Gigabit Service to 100% of passings within 3 years (Ex. E, Sec. 2(a))
- OPERATOR to keep technological pace and parity with other fiber/coaxial networks operated by cable broadband providers in the Seattle- Tacoma metropolitan area (Ex. E, Sec. 4(a))
- New assets constructed, replaced, or upgraded by OPERATOR become property of TACOMA POWER within IRU term (IRU Sec. 3)

2. Equitable Access

- Offer like services at like prices to residential customers (Ex. G, Sec. 1(a))
- Undertake system upgrades on a ubiquitous basis (Ex. G, Sec. 1(b))
- Not refuse service to any customer in good standing, and provide services on an equitable basis (Ex. G, Sec. 2(a))
- Actively work to eliminate racial and socioeconomic disparities as it upgrades the System (Ex. G, Sec 3(a))
- Purposeful citizen outreach and engagement with diverse community partners (Ex. G, Sec 3(b))
- Work with community partners and businesses to promote and track equity and inclusion of services within Tacoma (Ex. G, Sec 3(c))
- Provide guidance, education, and assistance to any subscriber requesting such assistance to help achieve equitable service outcomes (Ex. G, Sec 3(d))

3. Low-Income Affordability

- Provide federal Lifeline subsidy to customers who qualify, and publish availability (Ex. H, Sec. 1)
- Offer reduced-cost internet access to households eligible for TACOMA POWER's electric service low-income program with initial program 30Mbps/10 service, and publish availability (Ex. H, Sec. 2)
- Provide free internet access (wired or Wi-Fi) to at least 30 locations that provide services to low-income members of the community, and publish availability (Ex. H, Sec. 3)

4. Net Neutrality

- Transparency: fully and publicly disclose accurate information about its services (Ex. K, Sec. 1(a)(i))
- No throttling: not impair or degrade lawful Internet traffic on the basis of Internet content (Ex. K, Sec. 1(a)(ii))
- No blocking: not block lawful content, websites, resources, applications, services, or non-harmful devices (Ex. K, Sec. 1(a)(iii))
- No discrimination: all lawful traffic will receive similar treatment (Ex. K, Sec. 1(a)(iv))
- No paid prioritization: not favor traffic in exchange for consideration (Ex. K, Sec. 1(a)(v))
- TACOMA POWER may periodically test the System for compliance (Ex. K, Sec. 2(b))

5. Open Access

- Establish Open Access Program to provide wholesale services to other providers consistent with Operator's practices and policies in other areas, and publish availability (Ex. L)

6. Competition

- TACOMA POWER prior consent required for OPERATOR to transfer any of any of its rights/obligations under the IRU (including changes in control and working control) (Ex. N, Sec. 1(b))
- May not transfer rights/obligations under the IRU to any facilities-based residential service provider with more than 25% market share in the Tacoma Power Commercial Service Area (Ex. N, Sec. 1(c))
- TACOMA POWER may withhold consent to a transfer if it determines the transfer would violate any of the 12 policy goals, or if it deems transferee incapable of performing IRU obligations (Ex. N, Sec. 3(b))

7. Safeguard City and TPU Use

- TACOMA POWER remains responsible for all fiber maintenance on Critical Routes, unless it ceases using fiber for its own operations on a particular route (Ex. B, Sec. 2(b)-(c) and Ex. C)
- OPERATOR will not access splice panels or fiber access points on Critical Routes. Instead TACOMA POWER will provide qualified staff for splicing and removal or replacement of fiber/coax cable in conduit (Ex. B, Sec. 3(a))
- Only Tacoma Power staff may access splice cases within energized vaults (Ex. B, Sec. 4(a))
- OPERATOR will be responsible for all maintenance and costs of System except fiber on Critical Routes (Ex. D, Sec. 1 and 2)
- OPERATOR will not overlash or delash fiber or attach new fiber optic plant to TACOMA POWER poles without TACOMA POWER consent (Ex. D, Sec. 3)
- OPERATOR will provide as-built drawings, on a monthly basis, for any new construction, upgrades, or other efforts on both Critical Routes and Non-Critical Routes (Ex. D, Sec. 1(f))
- OPERATOR will have independent, 24-hour access to each of the 6 Hub Site locations and buildings (Ex. A3) and cable headend (Ex. A6)

8. Financial Stability

- Annual IRU Fee (IRU Sec. 5)
\$2,500,000 in First Year of Term, growing annually to \$3,000,000 in Fifth Year of Term
After fifth year, IRU Fee adjusted for inflation
- OPERATOR to make annual capital expenditures of at least \$1.5 million, adjusted for inflation (Ex. F, Sec. 1)
- Capital expenditures will include expenditures on upgrades to successive generations of DOCSIS, expenditures on upgrades to fiber-to-the-premises, and network equipment (Ex. F, Sec. 2(a))
- TACOMA POWER right to audit capital expenditures every three years (Ex. F, Sec. 4)

The city will lose about \$800,000 in taxes and about \$1.3 million in general government compensation

9. Economic Development & Educational Opportunities

- Internship program for students and residents of Tacoma (Ex. M, Sec. 1)
- OPERATOR to work directly with TACOMA POWER to support efforts to attract businesses to Tacoma (Ex. M, Sec. 2)

This amount would be expended anyway and is not of benefit; it is poorly defined in the IRU

10. Job Options for Click! Staff & Protection of Intellectual Property

- OPERATOR to make good faith commitment to consider existing Click! employees when filling vacancies (CBTA Sec. 5.4(b))
- Click! trademarks to be licensed to OPERATOR for use within guidelines (Ex. P)

11. Consumer Privacy

- Comply with City Council Resolution No. 39702 and implement it into its own broadband data service (Ex. J, Sec. 1(a)(b))
- Implement compliance with Resolution No. 39702 into any agreements entered into with ISPs (Ex. J, Sec. 1(c))
- Privacy policy to be published on Operator's website (Ex. J, Sec 2(a))

12. Consumer Goodwill

- Maintain a local or toll-free telephone line for taking customer calls (Ex. I, Sec. 1(a))
- Calls and other forms of customer contacts will be answered within 30 seconds (Ex. I, Sec. 1(b))
- Schedule appointments during a four-hour time block during normal business hours (Ex. I, Sec. 2(a))
- Standard installations up to 125 feet from the existing distribution system will be performed within 7 days (Ex. I, Sec. 2(b))
- Begin working on service interruptions no later than 24 hours after being notified (Ex. I, Sec. 2(c))
- 30 days' advance notice given to subscribers of any changes in rates or services (Ex. I, Sec. 3)
- Maintain a physical presence within Tacoma (Ex. I, Sec. 4)

From: Kit Burns <kburns.wcb@gmail.com>

Sent: Thursday, March 26, 2020 9:55 AM

To: Woodards, Victoria

Cc: Hunter, Lillian; Ushka, Catherine; Beale, Chris; Thoms, Robert; Blocker, Keith; McCarthy, Conor; Hines, John; Walker, Kristina; City Clerk's Office; Ikeatin@tacoma.k12.wa.us; eleon@tacoma.k12.wa.us; sheinze@tacoma.k12.wa.us; acobb@tacoma.k12.wa.us; ebonbri@tacoma.k12.wa.us; Tacoma Public Utility Board; Larkin, Karen; Mark Patterson; Flint, Bryan; Cooley, Christine; Watson, Carlos; Debbie Cockrell; matt.misterek@thenewstribune.com

Subject: Tacoma City Wide BroadBand - Learning in place - the Digital Divide

Attachments: 2020-0325 Education - Local News Seattle Online Learning.pdf; 2020-0324-CD With Millions of Students Cut Off Digitally.pdf

Follow Up Flag: Follow up

Flag Status: Flagged

Dear Mayor Woodards,

I saw these articles and thought they might be of interest.

I have suggested that the City provide broadband to all students in all schools. I have suggested that to the City Council on several occasions and to the Public Utility Board. Nearly 58% of Tacoma Public Schools are on the Lunch Program.

We are the most wired city in the nation. We can show the nation what happens to a community when everyone has a connection. Now is the time to consider that a requirement and make it happen. We just need to make the connections.

The failing LifeLine Program doesn't do that. It never will. Nationwide the United States has one of the worst Broadband systems for price and performance in the developed world.

I have asked for a financial analysis of the BTA and IRU which must be done to show that these agreements don't unfairly benefit a private company and are "in the best interests of the City and its citizens." In the best interests is to provide all homes with broadband.

Included in the analysis will need to be an assessment of connecting students to the Internet with broadband.

It would change our community. And it is very environmentally sound. Less road traffic and more local community connections.

Thank you for your consideration. I would be very happy to discuss this with you and the Council. I have spent the last four years learning about this in greater detail.

Sincerely,

Kit Burns

253-820.7392

Attachment

--

Kit Burns

PO Box 2341

Tacoma, WA 98401

"We the people of the United States, in order to form a more perfect union, establish justice, insure domestic tranquility,....., promote the general welfare, and secure the blessings of liberty to ourselves and our posterity, do ordain and establish this Constitution for the United States of America. . . "

- [Local News](#)

There's a 'moon shot' to save the school year from coronavirus, but not in Seattle

March 25, 2020 at 6:00 am Updated March 25, 2020 at 9:42 am



"There's just no way a district this large can do [online learning]," Seattle Public Schools Superintendent Denise Juneau recently stated. That's... (Ken Lambert / The Seattle Times) **More**

By [Danny Westneat](#)

Seattle Times columnist

In rallying for the nation's second-largest school district to transition to online instruction in the face of a pandemic, the head of Los Angeles' public schools [said this on Monday](#):

"We face the largest adaptive challenge for large urban public education systems in a generation. Pick your metaphor: This is the moon shot, the Manhattan Project, the Normandy landing, and the Marshall Plan, and the clock is ticking."

So Los Angeles announced an ["unprecedented commitment" of \\$100 million in emergency funding](#) to get all students who need them both devices and internet access for continuing their educations online this year.

Compare to what school leaders have been saying here.

Seattle Public Schools “won’t transition to online learning,” [Superintendent Denise Juneau tweeted last week](#). “2 things — not all students have access to internet and technology AND educators can’t just switch to online teaching overnight — it’s a specialized approach.”

“There’s just no way a district this large can do that,” Juneau said [in an interview](#) with Time magazine.

This is not our finest moment, Seattle.

How is it that Los Angeles, a district with half a million students, is attempting to keep its schooling going online during this crisis? And we are the ones barely trying.

Seattle is 10 days into a districtwide schools shutdown that will last at least another month. But so far the efforts to keep any instruction going at all have been minimal.

On Monday the district [introduced some educational videos](#) being broadcast on access cable, along with printed lesson packets, for grades K-5. But there’s been no broad effort to keep classes going. The argument is: Not everybody is digital, so digital is off the table for everybody.

Coronavirus resources

- [What experts say really needs to be done to slow coronavirus](#)
- [What to do if you're sick: Call your doctor and stay home](#)
- [Coronavirus information and prevention tips: a visual guide](#)
- [Tips for cleaning, disinfecting your home](#)
- [Sign up for breaking news alerts](#)
- [More on coronavirus »](#)

Some frustrated teachers apparently are going rogue. I’ve heard from multiple Seattle school parents that some teachers have resumed some form of instruction online.

“We are thankful two of our daughter’s teachers have taken it on themselves to teach calculus and economics online,” one parent wrote me on Monday. “I fear they may be asked to stop if it is known, though.”

On Monday [the state announced](#) that all school districts must continue some form of coherent education by March 30. This is welcome, though it was the state that [originally cautioned local schools](#) it would “likely make more sense to cancel school” than to try distance learning. On Monday it sort of reversed course, saying a combination of online and offline learning could be appropriate.

C’mon Seattle, we can figure this out. Los Angeles has 10 times as many students, with nearly triple the rate that are low-income ([80% of LA’s students](#) qualify for free-lunch programs versus [28% in Seattle](#)). ([vs 58% in Tacoma](#)) How are they the ones shooting for the moon?

When LA closed its schools, it sent kids home with both online coursework and paper-and-pencil assignments. The district estimates one-third of its 550,000 students don’t have tablets or internet access, so it has been scrambling to provide both — at a cost of up to \$500 per student.

It’s been seat-of-the-pants, the superintendent there admitted.

“We estimate about one-half of our students are continuing to learn at the pace they had been at school,” [he said of the transition online](#). “One-quarter are doing OK, but additional work is needed ... and one-quarter aren’t getting the learning opportunity they should be.”

More on the outbreak of new coronavirus

- [LIVE: Seattle Times continuing updates \(Wednesday\)](#)
- [White House, Congress agree on \\$2 trillion virus rescue bill](#)
- [India struggles to keep 1.3 billion people inside](#)
- [Prince Charles now infected](#)
- [Full coronavirus news and resources page](#)

I’d guess that in Seattle, the category of “aren’t getting the learning opportunity they should be” is right now close to 100%.

The equity issues are serious and hard to solve. So maybe it could best be tackled one classroom at a time. What I mean is: Why not leave it up to each teacher to decide how best to serve their students remotely?

If a teacher has a class of 30 who all have computers at home, then do that class by videoconference. If five out of the 30 need tablets and internet access, then let’s get them the technology with emergency funding a la Los Angeles.

If technology just isn't possible for a particular class, then turn it into a correspondence course with assignments bandied back and forth by U.S. mail.

But saying "there's no way a district this large can do that" is hard to take when Los Angeles of all places is right now storming the beaches at Normandy.

Whatever happens, it's going to be messy and we'll be winging it. So how about we also let the teachers throw out the lesson plans and try whatever they wish?

For example, a high school lit teacher might just choose to hold virtual book club for the next month. Since everyone has to stay apart, maybe the high schools could do a version of that old ["If All of Seattle Read the Same Book" program](#), as a way to metaphorically gather everyone together.

My pick: "Lord of the Flies," by William Golding. It's about reason versus impulse, about civilization on the ropes against chaos. Seems topical, no?

With Millions of Students Cut Off Digitally, Coronavirus Pandemic Bolsters Demand to Treat Internet as Public Utility

Published on Tuesday, March 24, 2020

By [Common Dreams](#) By [Jessica Corbett](#), staff writer

Advocacy group calls for \$100 billion investment toward creating a broadband system "that would benefit people, not just companies."

0 Comments



Eight-year-old Indi Pineau, a 3rd grader in Jeffco Public Schools, works on doing her first day of online learning in her room at her family's home on March 17, 2020 in Lakewood, Colorado. Jeffco Public Schools implemented a remote learning and work plan where teachers, students, and staff will educate and learn from home with online programs for an unknown period due to COVID-19. (Photo: RJ Sangosti/MediaNews Group/The Denver Post via Getty Images)

While Senate Democrats continue to hold the line against a third GOP coronavirus package [condemned](#) as a corporate bailout that leaves behind the nation's most vulnerable, concerns about remote education and digital connectivity during the pandemic [are rising](#), bolstering the [argument](#) for treating the internet as a public utility like water and electricity.

"Children without connectivity are at risk of not only being unable to complete their homework during this pandemic, but being unable to continue their overall education."

—20 U.S. senators

In a letter Sunday to Senate Majority Mitch McConnell (R-Ky.), 20 senators [requested](#) that the new COVID-19 relief package include at least \$2 billion in E-Rate funds for schools and libraries to provide hotspots or other Wi-Fi capable devices for students lacking internet access at home.

"Children without connectivity are at risk of not only being unable to complete their homework during this pandemic, but being unable to continue their overall education," warns the letter, led by Sens. Ed Markey (D-Mass.), Chris Van Hollen (D-Md.), and Michael Bennet (D-Colo.). "Congress must address this issue by providing additional financial support for home internet access in the next emergency relief package so that no child falls behind in their education."

Jessica Rosenworcel, a Democratic member of the Federal Communications Commission, welcomed the push for increasing student internet access in a tweet Monday and wrote that because of the ongoing public health crisis, "millions of kids are out of school and struggling to go online for class."

Free Press Action on Monday [proposed](#) a spending plan for Congress and the FCC to keep people connected to the internet during the pandemic. It calls for \$1 billion in immediate funding for Lifeline, a federal program that provides affordable communications to people with low incomes; \$25 billion for a Lifeline benefit of up to \$50 per month for a home-internet connection; \$5 billion for the E-Rate educational connectivity program; and \$50 billion to deploy high-capacity broadband networks in rural and unserved areas.

"The coming weeks will lay bare the already-cruel reality of the digital divide: tens of millions of Americans cannot access or cannot afford the home broadband connections they need to telework, access medical information, and help young people learn when school is closed."
—Geoffrey Starks, FCC

Overall, the plan calls for allocating up to \$100 billion in subsidies, rebates, and tax relief to create a broadband system "that would benefit people, not just companies."

"What the country needs right now is massive spending to replace lost incomes and to keep society functioning while most people are confined to their homes," Free Press Action research director S. Derek Turner [said](#) in a statement. "Our leaders need to act quickly to ensure that kids can continue to learn, seniors can move their routine doctors' office visits online, and as many workers as possible can continue to do their jobs remotely."

Dana Floberg, policy manager at Free Press, [explained](#) in a *Guardian* op-ed Monday that "nationwide, approximately 22% of households don't have home internet, including more than 4 million households with school-age children. Poor families and people of color are [particularly affected](#)—only 56% of households making less than \$20,000 have home broadband, and black and Hispanic households lag behind their white counterparts even when we control for income differences."

Research shows 8% of households just have mobile broadband, and "only about half of school-age children who live in mobile-only households personally use the internet at home, perhaps because of the difficulty of sharing mobile devices," Floberg added.

"And while it's better than being completely disconnected, mobile-only access isn't ideal," she wrote. "Mobile services are often limited by data caps, and mobile devices can make certain tasks incredibly challenging. Imagine studying for your calculus exam or writing a world-history paper on a cellphone. This is a reality for a lot of students who don't have home broadband."

"Study after study shows that people don't have internet because they [can't afford it](#), and because [systemic racial discrimination](#) blocks them from subscribing," noted Floberg. She argued that although some schools have tried to address these inequities by loaning students in need computers and mobile hotspots, broader action from both policymakers and internet service providers (ISPs) is needed.

Earlier this month, Free Press [called on](#) the country's ISPs to suspend data caps and overage charges, pause service disconnections for non-payment, eliminate eligibility requirements for any low-income targeted plans, and "waive all billing for low-income households, seniors, furloughed workers, and households with public school students who have been sent home due to school closures."

Floberg reiterated those demands Monday and declared that "we need public policies that bring real price competition to ensure universally affordable broadband access."

The new coronavirus, which in the United States [has infected](#) over 46,000 people and led to nearly 600 deaths since emerging in China late last year, has spurred various calls for action, including a March 19 *New York Times* [op-ed](#) from the FCC's other Democratic commissioner, Geoffrey Starks.

"The coming weeks will lay bare the already-cruel reality of the digital divide: [tens of millions of Americans](#) cannot access or cannot afford the home broadband connections they need to telework, access medical information, and help young people learn when school is closed," Starks wrote. "When public health requires social distancing and even quarantine, closing the digital divide becomes central to our safety and economic security."

Starks argued the FCC—in order "to support Americans in need"—should act to increase lendable free hotspots at schools and libraries, expand the reach of telemedicine, and enhance Lifeline.

Rosenworcel [delivered](#) a similar message on "The Vergecast" last week, saying that "broadband is front and center in this crisis. We are telling the nation to go online for work, for school, for healthcare like never before. We're going to stress our networks. We're going to expose the digital divide, and I think the FCC has got to pay attention to what is happening and take every step it can to connect more people right now."

Others, such as Democratic congressional candidate Shawna Roberts of Ohio, have made the case that the coronavirus outbreak provides just the latest evidence that internet access should be considered a public utility:

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Washington education officials: school must continue, even during coronavirus closures

March 23, 2020 at 7:14 pm

By [Hannah Furfaro](#)

Seattle Times staff reporter

EDUCATION LAB

[Education Lab](#) is a Seattle Times project that spotlights promising approaches to persistent challenges in public education. It is produced in partnership with the [Solutions Journalism Network](#) and is funded by a grant from the Bill & Melinda Gates Foundation, Amazon and City University of Seattle. [Learn more about Ed Lab.](#) 

Washington education officials have a new message for the state's schools: buildings may be closed, but [school must go on](#).

The state's Education Department released guidance Monday that calls on school districts to provide some form of instruction while schools are closed because of the novel coronavirus.

The guidance represents the first time the state has said that across-the-board, some form of instruction is mandatory. Districts must resume class in some format by March 30, a spokesperson for the state Education Department said. Beyond that, the state [offered few mandates](#) of what instruction should look like.

"Although schools are closed and are not providing traditional in-person instruction, education must continue," the new guidelines read. "We have an obligation to our students to provide them with opportunities to continue their learning during this pandemic."

The state's new guidelines are loose and leave room for interpretation. Officials are asking schools to develop weekly plans for students, including those with disabilities, and to contact families on a regular basis. Teachers are expected to monitor students' progress, help them set goals and offer online or paper-based instruction depending on students' preferences. Along with the guidance, education officials created a [long list](#) of free virtual tools for teachers, students and parents and offered a sample "plan" for how districts could roll out distance learning.

Last week, the state Education Department encouraged districts to focus their attention on high school seniors. On Thursday, the state's Board of Education will [consider a program](#) that allows districts to waive certain graduation requirements.

In the week since Gov. Jay Inslee ordered all public and private schools closed, districts have had leeway to offer remote instruction or not; state law gives districts local control over many aspects of education. While there was no clear mandate on instruction, Inslee said districts were expected to provide food to those who need it and offer child care to certain groups of kids.

Last week, state Superintendent Chris Reykdal told The Seattle Times that union contracts require teachers to continue teaching, so long as they're being paid. But there is no specific statutory requirement that school goes on when buildings are closed, he said.

Several districts have already moved to some form of remote learning, such as White River School District — or are planning to do so, as Bellevue and Seattle Public Schools have said.

But some school districts such as Tacoma Public Schools said they didn't intend to continue instruction in any form. Tacoma and other districts have suspended school out of concern that they can't offer education to all students in an equitable way.

The new guidelines will force such districts to rethink their plans, said Katy Payne, spokesperson for the Washington Office of Superintendent of Public Instruction (OSPI). "We're changing our direction to say now you will be providing learning," she said. OSPI plans to collect data from districts on a weekly basis, she said, to monitor their instruction plans, but also the number of meals they distribute and child care slots they fill.

What remained unclear as of late Monday: whether students are required to complete assignments and attend online sessions with teachers and their peers. The guidance asks districts to consider adopting pass/fail grading in place of letter grades, but doesn't make this a requirement.

From: Kit Burns <kburns.wcb@gmail.com>
Sent: Thursday, March 26, 2020 9:21 AM
To: Pauli, Elizabeth; Flowers, Jackie
Cc: Woodards, Victoria; Hunter, Lillian; Ushka, Catherine; Beale, Chris; Thoms, Robert; Blocker, Keith; McCarthy, Conor; Hines, John; Walker, Kristina; City Clerk's Office; Fosbre, Bill (Legal); Flowers, Jackie; Tacoma Public Utility Board; Larkin, Karen; Mark Patterson; Flint, Bryan; Cooley, Christine; Bacha, Chris (Legal); Watson, Carlos
Subject: CLICK! NETWORK - Request for Financial Analysis - BTA and IRU
Attachments: 2020-0326-KB-EPauli-FinancialAnalysis.pdf

Follow Up Flag: Follow up
Flag Status: Flagged

Kit Burns
PO Box 2341
Tacoma WA 98401 kburns.wcb@gmail.com 253.820.7392 cell

March 26, 2020

Ms. Elizabeth Pauli
City Manager
City of Tacoma
747 Market Street, Room 1200
Tacoma, WA 98402

Subject: Financial Analysis of CLICK! NETWORK BTA and IRU

Dear Ms. Pauli:

I requested a copy of the financial analysis of the proposed CLICK! NETWORK arrangement from both the Public Utility Board and the Tacoma City Council.

In a lease of significant value or the sale or the surplus of property, a financial analysis is always done. This is a normal document completed as part of a due diligence process to ensure that the fair market value is determined and justly compensated in the transaction. As stated in the BTA and IRU.

This documentation must be provided before the Business Transaction Agreement (BTA) and the Indefeasible Right of Use (IRU) are executed. I am sure the PUB and the City Council need this information to assure the public that this is in the public's best interest of the citizens.

Tacoma Public Power will be losing more than \$26.5 million annually of revenue (average for past 5 years). How will the \$202 million investment paid for by the ratepayers will be compensated?

The "depreciation" profits of nearly \$50 million (Operational Summary 2004-2014) will be lost in future years (\$5 million a year). Where do the funds from previous years go?

The City of Chattanooga makes \$31 million a year on their broadband. In future years Tacoma could easily make \$8 million annually. And every student in all of our schools could be connected – we will lose that ability. What is the value of that loss?

My review of what I know of the transaction shows that the City will be incurring costs, losing money, and thus subsidizing a private company with this transaction. A financial analysis could show otherwise. Or not.

The \$2.5 million barely covers direct losses to the city. A tax loss of more than \$800,000 annually and a loss of more than \$1,300,000 for general government revenue leaves the city only \$400,000 income. This will be a loss as it will cost more than that to coordinate with the private operator and for TPU to audit the Operators compliance with the terms.

The \$1,500,000 "investment" is a cost that would be spend by the operator and adds no value to the agreement. The definition of this is weakly described in the IRU and shows it to be of little additional value in this agreement.

I would like to know also how it came to be that all of the dark fiber is included in the IRU. On what basis? Nothing is being reserved for the future unknown needs of the City? Are we blind to the future?

In the March 5, 2019 PUB/City Council joint study session, Council Member Ibsen asked Jo Ann Hovis directly "if the agreement included all of the dark fiber?". She responded emphatically "No."

What changed? What additional compensation is provided the City? It seems to lose the ability to use the fiber in the future harms the city and is not in our best interests.

I have other questions that I would like to discuss having followed this for the past 4 years.

Please contact me to update me on this issue.

Sincerely,

Kit Burns

Cc; City Council
City Attorney
Director of Public Utilities
Public Utility Board
Interested Parties

--

Kit Burns

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Tacoma, WA 98401

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Sincerely,



Kit Burns

Cc; City Council
City Attorney
Director of Public Utilities
Public Utility Board
Interested Parties

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Sent: Friday, March 20, 2020 4:21 PM
To: Woodards, Victoria; Pauli, Elizabeth; Flowers, Jackie
Cc: Hunter, Lillian; Ushka, Catherine; Beale, Chris; Thoms, Robert; Blocker, Keith; McCarthy, Conor; Hines, John; Walker, Kristina; City Clerk's Office; Tacoma Public Utility Board; Larkin, Karen; Mark Patterson; Flint, Bryan; Cooley, Christine; superintendent@tacoma.k12.wa.us; lkeatin@tacoma.k12.wa.us; eleon@tacoma.k12.wa.us; sheinze@tacoma.k12.wa.us; acobb@tacoma.k12.wa.us; ebonbri@tacoma.k12.wa.us; Debbie Cockrell
Subject: Kit Burns - Chattanooga EPB \$31 million net income - Community Wide Broadband
Attachments: 2020-0320-Inslee Chattanooga Tacoma.pdf

Follow Up Flag: Follow up
Flag Status: Flagged

Dear Mayor Woodards,

In these trying times there are always surprises and the unforeseen.

With virtually everyone "at home" in the City and working from home as much as possible, we have a chance to rethink selling Click Network.

Instead of selling it we could be providing a broadband connection to every student and business in the City. Regardless of location, educational level, and regardless of income.

I have suggested this previously to the City Council and the Tacoma Public Utility Board.

A review of the "Critical Networks Map" shows the City is wired. We just

need to be connected.

This crisis we face today might last 2 weeks, 12 weeks, or 12 months. Students and Citizens will need access to their teachers and their world, and each other. Using the 'Zoom' software classrooms can be set up that are interactive and engaging.

Selling Click will insert a digital divide in our City, a permanent wall that will never be breached. Marginalized areas of Tacoma will become more so.

I ask that the City, the PUB, and the Tacoma School Board come together to support this critical community necessity for Internet Access. This is our need in a time of crisis. We must make an evaluation of how this can be accomplished.

The City of Chattanooga which has a smaller population than Tacoma (180,000 vs 216,000), larger area (150 sq.miles vs 63 sq. miles), and is considerably less dense (1,262 /sq mi vs. 4,292 sq mi) had net income of \$31 million on revenues of \$161 million.

Click has made profits and has no debts.

This is an incredible opportunity for Tacoma to show the state and the nation on what we can do as a City. Also what a fully wired city looks like in operation.

I have asked for a financial analysis to show the sale of CLICK! NETWORK is financially sustainable and in the City's best interest. My evaluation shows that we have yet to hear the accurate and full story.

The proposed \$2.5 million from the private company will not compensate the city for the \$2.1 million it will be losing. We need more than a mere net \$400,000 for our \$202 million investment. Our investment that generates savings and profits.

The \$1.5 million for investments in infrastructure is merely a joke. It is a cost that a firm would spend anyway. Why give credit for an expense that they need and a cost that they would incur?

There needs to be a pause in the process that is followed with a careful evaluation of the 'plan'. It seems clear the city will lose money and will be harmed if the deal is completed without due diligence. There must be a full financial analysis of the offer to determine fair market value.

How does the loss of \$26.5 million annual income affect TPU? The loss of competitiveness from municipal broadband which saves us more than \$12 million a year? How do we get repaid for the \$202 costs?

Did you know that ALL the fiber is included? When asked by Council Member Ibsen if the arrangement included "all the fiber", CTC Technologies Jo Ann Hovis stated clearly "No." (3/5/2019)

We have reserved nothing for a unknown future. That seems very foolish.

Giving a private company 12 fibers and also 108 more for the same \$2.5 million. What is the basis of that arrangement?

I hope the City Council, Public Utility Board, and Tacoma School District will immediately pursue how everyone can be 'connected' in the most wired city in the nation.

Internet connection is needed throughout the community for economic development, education, and especially at this time, quarantine.

Environmentally it will be an incredible investment. People will be able to work at home eliminating travel to and from. Maybe drive to work once a week or every other week for a team meeting.

I ask that you discuss and consider this option. I would like to discuss it with you next week. I can meet "on-line" anytime that is convenient for you and others to discuss.

I look forward to seeing the financial analysis.

Please let me know when we can meet "virtually" or otherwise.

Sincerely,

Kit Burns

Attachment.

Attached are relevant articles and success stories from Chattanooga.

--

Kit Burns

PO Box 2341

Tacoma, WA 98401

"We the people of the United States, in order to form a more perfect union, establish justice, insure domestic tranquility,....., promote the general welfare, and secure the blessings of liberty to ourselves and our posterity, do ordain and establish this Constitution for the United States of America. . ."

Washington will create a statewide broadband office to expand internet access

BY **MONICA NICKELSBURG** on May 14, 2019 at 9:58 am

[1 Comment](#)[Share 1.1k](#)[Tweet](#)[Share](#)[Reddit](#)[Email](#)[GeekWire Awards: Buy tickets here](#)

Gov. Inslee shakes hands with supporters at an event kicking off his 2020 presidential campaign. (GeekWire Photo / Monica Nickelsburg)

Washington will soon have a dedicated broadband office tasked with expanding internet access to underserved parts of the state. Gov. Jay Inslee **signed a bill** that creates the broadband office into law this week.

The office will manage the state's broadband budget and work to bring in federal funds. The new law also creates a competitive grant and loan program to fund projects that expand broadband to communities that don't currently have reliable internet.

High-speed broadband internet access is one of the most important economic development tools we have. Today, I signed legislation to provide more people in every corner of Washington access to broadband, which connects us to commerce, education, jobs and each other. [#waleg](#)



Wa State Broadband Office

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Executive Director & Tribal Liaison

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82

[3:28 PM - May 13, 2019](#)

[Twitter Ads info and privacy](#)

21 people are talking about this

The broadband office's initial budget is \$21 million and the governor's office hopes to grow it to \$100 million in the next four years, according to John Flanagan, policy advisor to Inslee.

"The main thing that we're pushing here, in almost every case, is public-private partnerships, being really creative with modeling, making sure that an entire community is behind a project, and trying to pool as many resources as possible," Flanagan said.

The broadband office will take a novel approach to tracking internet service throughout the state. Officials are soliciting applications from residents for internet projects and assuming, by default, that those areas are unserved.

"That's the reverse of what the FCC does," Flanagan said. "They say, 'private providers, where do you deliver service?' And they collect it at the census tract level, which grossly overestimates the areas that actually have service."

The law establishes a goal of providing high-speed broadband access to all Washington residents and businesses by 2024.

"The digital divide should not limit any Washingtonian's ability to learn, innovate or connect through robust internet access, whether it is students researching ideas at home, first responders handling an emergency or entrepreneurs launching a business," Inslee said in [a blog post](#). "This proposal will help bring broadband access to all Washingtonians."

Monica Nickelsburg is GeekWire's Civic Editor, covering technology-driven solutions to urban challenges and the intersection of tech and politics. Before joining GeekWire, she worked for The Week, Forbes, and NBC. Monica holds a BA in journalism and history from New York University. Follow her [@mnickelsburg](#)

JAY INSLEE

William,

Our fight for a free and open internet here in Washington state was issued a decisive ruling last week -- and it's very good news.

The U.S. Court of Appeals for the District of Columbia ruled that the FCC does not have blanket authority to stop states like Washington from passing laws to protect a free and open internet for consumers -- a huge deal in the fight for net neutrality AND a huge win against the Trump administration and their power grabs.

This is a big victory for Washington, but it's also a big victory for all Americans. **When the Trump administration is giving big handouts to corporations and keeping Americans from equal and free access to the internet, our only chance at protecting our progress is states fighting back.**

A free and open internet has been the concept from the beginning, and it's common sense:

Your cable or internet provider shouldn't get to be a gatekeeper to the internet. They shouldn't get to slow down or block access to the sites you love, or be able to charge you extra if you use a service like Twitter or Netflix.

But if some big corporations get their way, that could all change forever. They want to have a say in how you use the internet, or how fast your favorite sites load -- and the Trump administration is rolling out the red carpet to let them.

That's why I signed the Washington *Open Internet Access* law, making Washington the first state to pass legislation protecting consumers' access to a free and open internet. And it's part of my commitment to use my platform to keep fighting for big progressive change -- anyone who cares about net neutrality, wherever they live, should care about what we're doing here in Washington state.

The legislation passed with strong bipartisan support and prohibits paid prioritization, "throttling," or prioritizing internet traffic based on content, and it bars internet providers from blocking certain content.

Business Around the Region

EPB gets biggest growth, profits from telecom

Gig City service aids local power utility

July 27th, 2018 | by [Dave Flessner](#)



EPB CEO David Wade speaks at the event. The Electric Power Board of Chattanooga unveiled its new 100 kilowatt, 4-hour, vanadium redox flow battery made by UniEnergy Technologies of Mukilteo, Washington on September 22, 2017.

<https://www.timesfreepress.com/news/business/aroundregion/story/2018/jul/27/epb-gets-biggest-growth-profits-telecom/475885/>

Despite its name and birthright, Chattanooga's Electric Power Board earned most of its net income in the past year from its telecommunications business, not its power division.

EPB, the name the former Electric Power Board has adopted as it expanded its utility offerings, enjoyed its biggest growth in customers and net income last year from its fiber optics division rather than its electricity operations.

In the fiscal year ended June 30, EPB had a net income in its power division of \$12.7 million on electricity sales of \$582.7 million. Power sales were virtually unchanged from the previous year, although profits rose by more than 70 percent from the previous year.

EPB's telecommunications division, which offers internet, video and phone services via the utility's fiber-optic network, reported even higher net income of \$31.1 million on revenues of \$163.1 million.

EPB's telecom revenues grew nearly 9 percent despite a drop in the number of persons subscribing to EPB's video offerings as a growing number of households "cut the cord" on cable TV. EPB continues to add more internet customers, however, and projects it will top \$169 million in telecom revenues this year even while the telecom division sends \$38 million to the electric-side of the business to lease fiber optic space on EPB's smart electric grid.

"We're right at about 98,000 customers today in our fiber optics division and getting close to having 100,000 by this fall," EPB President David Wade told the EPB board Friday. "That's a big milestone and one we are going to celebrate."

When EPB launched its fiber optic services in 2009, the city-owned utility projected it would get about 35,000 users. EPB secured a \$111.6 million federal stimulus grant the next year — the biggest for a smart grid in the country in the Great Recession stimulus plan — and telecom usage has exceeded projections every year since for EPB.

EPB pioneered the first citywide gigabyte-per-second internet service in the Western Hemisphere in 2010 and began billing Chattanooga as "Gig City." In 2015, EPB upgraded the internet service to 10G service, the fastest of any community-wide network in the country. "What a blessing that fiber optics has been for us and the community," EPB Chairman Joe Ferguson said.

EPB issued more than \$220 million in bonds to build its fiber optic network, but the telecom portion of that debt has since been repaid. EPB's debt coverage ratio for its electric service far exceeds its bond covenant requirements and is projected to improve even more this year, EPB Chief Financial Officer Greg Eaves said.

Although its telecom business has grown, *EPB's total electricity sales peaked in 2001.*

EPB brags that its smart grid installed with its fiber optic network has helped reduce outages. The improved reliability and the utility's culture as a publicly owned and public service utility has helped EPB earn the top ranking for customer service of all mid-sized utilities in the South by J.D. Power and Associates in each of the past three years, Ferguson said.

"We're very fortunate to have a culture and a staff with a deep passion or getting the job done and serving our customers as these J.D. Power rankings show," he said.

Contact Dave Flessner at dflessner@timesfreepress.com or at 757-6340.

Chattanooga Rates

Secure | <https://epb.com/home-store/internet#pricing>



Speed up with the nation's fastest internet

100 Mbps	1,000 Mbps	10 GIG
\$57.99 per month	\$69.99 per month	\$299.00 per month
Stream video without lag time	The Gig!	The fastest Internet in the world
Be an online gaming winner	Nearly 100 times faster than the average Internet speed	Enough bandwidth to stream 1,754 HD movies at once
Upload and download images, movies, and files instantly	Download an entire HD movie in under 10 seconds	Sets the stage for the next generation of innovative thinkers
	Video chat flawlessly	

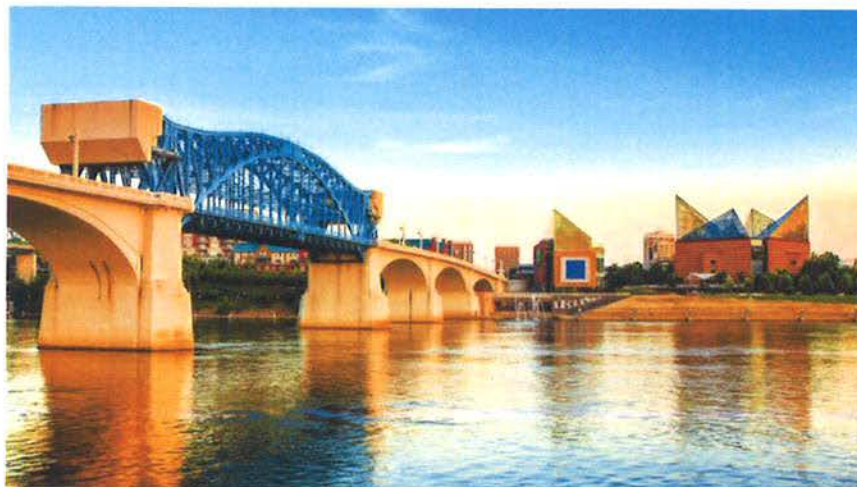
Chattanooga Has Its Own Broadband— Why Doesn't Every City?

EXCERPT

A few years ago, the city of Chattanooga became an internet service provider, and since then the city has become a thriving tech hub.

Jonathan Taplin

Updated Jul. 24, 2017 12:37PM ET / Published Jul. 24, 2017 1:00AM ET



Getty

There is one more aspect of the digital future that is potentially troubling: the lack of competition in the broadband business—the pipeline that brings the Internet to us.

The proposed merger of the largest and second-largest broadband providers ([Comcast](#) and [Time Warner Cable](#)), which was blocked by the [FCC](#), raised the specter of a single provider controlling 40 percent of all high-speed broadband in the United States. For the usually passive FCC, even that was a bridge too far.

Comcast had made the argument that since each company operated a de facto monopoly in the individual cable markets they serve, their merger would not change the competitive environment for the individual consumer. While it is true that a broadband duopoly—one cable provider and one telecommunications company—is standard in most major markets, it should not be cause for celebration.

This situation means that we have slower broadband service and pay higher prices for it than almost any developed country in the world. We also lag behind 21 countries in the adoption of fiber-optic technology.

Since 2013, at the Annenberg Innovation Lab, we have had a chance to see what really fast broadband looks like. And no, we don't have to travel to Seoul, [South Korea](#), to experience the future. We go to Chattanooga, [Tennessee](#), where we can test applications at one gigabit per second over the EPB fiber network.

EPB stands for the Electric Power Board of Chattanooga, a municipally-owned utility. And now the company is deploying ten-gigabit-per-second service. The EPB's story points us toward a future in which we may no longer have to worry about a broadband duopoly.

A few years ago the folks at Volkswagen told the Chattanooga city fathers that they would like to build a high-tech auto plant in their city. There was only one problem: the city sits in the middle of Tornado Alley, and the electricity goes out several times a year during big storms. Since the plant was going to be highly roboticized, electrical outages would be particularly problematic. So the EPB promised to build a smart grid so that when a tree fell on the wires on Flynn Street, only Flynn Street would go dark, because the smart grid would route power around the trouble.

So they built the smart grid, Volkswagen built its plant, and the plant hasn't had any downtime. But once EPB had strung fiber-optic cable on every lamppost in town, it realized that each of these posts stood less than one hundred feet from a home to which the company could sell broadband service—and there were at least fifty thousand of these homes.

Comcast, the local incumbent, tried to sue EPB and stop them in the Tennessee legislature. Once the EPB started advertising “the fastest broadband in Chattanooga,” Comcast sent the company cease-and-desist letters, suggesting that its own network could provide service at one hundred megabits per second if there were only one person on the line. So the EPB improved its service to one gigabit per second, and the cease-and-desist letters stopped. Now the EPB is gaining market share for its \$70 monthly plan, which gives consumers one-gig broadband speed plus TV service. Comcast is losing market share with its old-fashioned cable broadband product.

Why is this story important to our country's technological future? Because it's emblematic of what can happen when true competition is ignited in the broadband market.

In early 2014 the new FCC chairman, Tom Wheeler, released a statement on “open Internet” rules in the wake of a federal court decision on network neutrality. In a section on enhancing competition, he wrote, “One obvious candidate for close examination [is] legal restrictions on the ability of cities and towns to offer broadband services to consumers in their communities.”

In the federal court case, *Verizon v. FCC*, Judge Laurence Silberman suggested that the FCC's primary obligation was to promote competition and remove barriers to infrastructure investment. Those barriers have been constructed by cable-company and telecommunications-company incumbents and their lobbyists, who have persuaded about 20 state legislatures to pass bills restricting municipalities from entering into the broadband market. Judge Silberman described these laws as providing “an economic preference to a politically powerful constituency, a constituency that, as is true of typical rent seekers, wishes protection against market forces.”

So the scrappy folks at EPB proposed to expand their fiber-optic service to the surrounding counties, but AT&T got its lobbyists at the Tennessee state legislature to pass a bill saying that municipally owned utilities could not compete with private firms such as AT&T and Comcast in the provision of broadband. Remarkably, the FCC agreed with the EPB and issued a preemption order, which barred the Tennessee legislature from blocking the EPB. And then of course the Tennessee attorney general sued the FCC. The FCC and EPB lost the first round in Federal District Court. I suspect the battle will go on for a while, because monopolists hate the idea that a small city could start its own network.

But as an observer from California who has visited Chattanooga seven times in five years, I can see how truly fast broadband can transform a town. Chattanooga was one of those Southern cities that got screwed by globalization. The Brookings Institution reported, “With its extensive railroads and river access, Chattanooga was at one time the ‘Dynamo of Dixie’—a bustling, midsized, industrial city in the heart of the South. By 1940, Chattanooga’s population was centered around a vibrant downtown and it was one of the largest cities in the United States. Just 50 years later, however, it was in deep decline. Manufacturing jobs continued to leave.”

When I first started visiting the city, in 2010, months after EPB had deployed its fiber-optic technology to home networks, the downtown area was still filled with empty factory buildings. In 2016, an incredibly vibrant tech community has filled many of those vacant buildings with open-office spaces for start-ups. The music and film communities are vital, too, and there is a real downtown nightlife with bars and restaurants open late and filled with hipsters. You would think you were in Brooklyn, except the food and music are definitely Southern.

In 2012 at an outdoor music festival, the Annenberg Innovation Lab created a virtual country music duet over two thousand miles of fiber-optic cable. T Bone Burnett performed in my studio at USC, while Chuck Mead performed onstage in Chattanooga.

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