

**(Corrected) MINUTES  
TOWN OF CAMP VERDE  
WORK SESSION  
MAYOR AND COUNCIL  
473 S MAIN STREET, SUITE 106  
WEDNESDAY, MARCH 15, 2023 AT 5:30 P.M.**

Note: Council member(s) may attend Council Sessions either in person or by telephone, video, or internet conferencing.

1. **Call to Order**-Mayor Jenkins called the meeting to order at 5:30 p.m.
2. **Roll Call.** Council Members Jackie Baker, Wendy Escoffier, Robin Godwin, Cris McPhail, Jessie Murdock, Vice Mayor Marie Moore, and Mayor Dee Jenkins.

Others present- Town Clerk Cindy Pemberton, Assistant Clerk Jadie Edwards, Interim Town Manager Gail Mabery, Town Attorney Christina Estes-Werther, Transcriptionist Dana Donahue.

3. **Pledge of Allegiance**- was led by Councilor Godwin.
4. **Discussion and Possible Direction for next steps on Broadband.** Staff Resource: Molly Spangler

**Background Information.**

*Broadband is necessary infrastructure like roadways and other utilities. Access to broadband is essential for residents, businesses, education, healthcare, and many other key services our community depends on. In the recent strategic planning session, the Town Council identified broadband planning and infrastructure as a priority. Over the past several years, the Town Council has discussed potential opportunities to engage in broadband projects in Camp Verde and the region. However, those projects did not move forward due to lack of internet service provider (ISP) engagement, lack of funding and on overall lack of information for how a community leverage sufficient broadband access and deployment.*

Economic Development Director Molly Spangler represented this item. She introduced her guest, Mr. James Curry.

Ms. Spangler gave an overview of the current broadband situation in Yavapai County. The Verde Valley Regional Economic Organization (VVREO) presented a middle mile project in June of 2021, that the Town supported. Yavapai County also made an effort toward internet service through ARPA funds in September of 2021.

Initially the company "Optimum-Altice" (essentially Suddenlink) was selected for the Camp Verde and Sedona region and won the County's bid. However, after surveying the Sedona area, Optimum-Altice decided to not move forward with the project. Camp Verde

was in the same position as Sedona.

Councilor Murdock asked about “miscalculated passings” as stated on the PowerPoint.

Ms. Spangler replied that it is when the ISP drives around a prospective area and counts how many customers, residential and business, might be served. The amount of “passings” in Sedona and Camp Verde was not sufficient for the ISP to make an investment.

Mayor Jenkins requested Mr. Curry give an informal review of his experience.

Mr. James Curry said he is a resident of Sedona and a former executive of the cable television industry. He was also an executive at a Qualcomm funded edge company. He operated a broadband test facility in Florida and holds a US patent in email technology. He retired eight years ago.

Mr. Curry gave Council an overview of the \$43 billion dollars the Federal Government is distributing throughout the US. Arizona is to receive between \$700 million and \$1 billion dollars in funding. The money can only be spent on broadband development. The funds will be “understood” (how much Arizona will receive) by June of this year. The funding has created acute interest from ISP companies in communities such as Camp Verde. This has created a unique opportunity to bring fiber optic broadband to the Verde Valley. The state has until the fourth quarter of the year to make a proposal to the Federal Government on how they wish to spend the money.

The State of Arizona will be the principal grantee, and Camp Verde a sub grantee of the state. The relationship for the funding will lie with the State of Arizona, not the Federal Government. Granting of the monies should happen the first quarter of next year. Sedona has hired a consultant to assist with this process. Village of Oak Creek is also interested in collaborating with Sedona for this process. Some ISPs are looking for “scale” (large amounts of clients?) and some are not.

Mr. Curry recommends establishing relationships with potential internet service providers now, to find out what they are about and what they are interested in. He also recommends hiring a consultant for the process to maximize chances of obtaining funding. He recommends a relationship with the State Broadband Office. Be prepared to apply for a grant with the state and present need (RFI). The FCC map indicates that Camp Verde is underserved. This makes Camp Verde eligible for BEAD (Broadband Equity Access Deployment) funding.

The Federal Government looks at the following to determine funding;

- Unserved communities mean less than 25mbps download or less and 3 bps upload or less.
- Underserved means less than 100 mbps download and 20 mbps upload, or less.
- The goal is to have 1G download and 1G upload.
- Camp Verde has many underserved areas as noted in the FCC map.

Ms. Spangler explained that BEAD Funding means Broadband Equity Access and Deployment. The grant monies go directly to the ISP. Essentially, the ISP the Town chooses, will be paid through the State Grant. The role of the State Broadband Office is to assist communities in navigating the ISP and BEAD process. Ms. Spangler stated the State Broadband Office will be an asset in vetting an ISP for the Town.

Ms. Spangler stated The funds could be awarded as early as 2024. The State Broadband Office is available to the Town for support. Ms. Spangler has reached out to the broadband office for information, and to assist the Town in “vetting” an appropriate ISP.

Mr. Curry stated finding a good ISP provider is a challenge. Two ISP providers in a community is ideal as it encourages good prices and service through competition. There are some challenges. Several experts feel that the Verde Valley will not receive any BEAD funding, others feel that it will. He went on to say that several ISPs have agreed to work in this area (Verde Valley) without a subsidy. The Town *may* need to put in somewhat less than one million dollars to get started. Mr. Curry cautioned Council, staying the current provider may perform upgrades to their system to keep the Town from qualifying for BEAD funding.

Mr. Curry explained “overbuild” companies. These are companies that will come into an area where fiber optic already exists. Their goal is to establish fiber optic throughout the United States, consolidate the businesses and then resell them.

Mr. Curry stated there have been some private/public partnerships, that have worked out well. For example, municipalities or private companies (such as Google) can agree to put in the conduit for fiber cable and rent it out to the ISP. The conduit is then run down the street in front of businesses and residences, or can be taken directly to the business or residence. The latter is obviously more costly.

Ms. Spangler reviewed associated costs for broadband. The cost of a consultant is around \$10k to \$15k. In her previous job, she had the opportunity to vet several consultants. Additional funding for infrastructure is an undetermined cost until a formalized process with the ISP is conducted. She suggested the following.

1. Identify Town needs.
2. Establish ISP relationships as soon as possible.
3. Put together a team of Town staff to include, Ms. Spangler, Mr. Curry, Public Works Director, Library Director, and Yavapai County’s Librarian Director (with support from the State broadband office).
4. Hire a Broadband Consultant
5. Issue RFI/RFPs to identify an ISP to meet the Town’s needs
6. Possibly partner with other communities
7. Town Council presentation on ISP recommendation
8. Town Council provides a letter of support for ISP’s BEAD application.

Mr. Curry stressed the value of having an ISP chosen for the Town, and a vote of approval of said ISP from the Town. The correct ISP can benefit the Town in numerous ways.

Mayor Jenkins asked for clarification on the role of the consultant. Will the consultant guarantee the Town receives the BEAD funding? Mr. Curry and Ms. Spangler replied no, however, a consultant has the knowledge of the industry to assist the Town in choosing the correct ISP. A consultant will know what the Town's priorities are.

Councilor McPhail asked about the "underserved" vs "unserved" communities. She stated it is very important that the internet service the Town chooses is one that is affordable to all of the community.

Mr. Curry stated there is a Federal Government program providing subsidies for internet service to qualifying citizens.

Councilor McPhail reported that the Yavapai Apache Nation has hired a consultant to design the infrastructure for internet service on tribal properties. It is important that any ISP consultant the Town hires, works with the Nation.

Mr. Curry told Council that fiber is in Town and owned by the Lumen (Century Link) company. APS also has a major fiber drop outside of Copper Canyon. This is desirable for ISPs because some of the infrastructure is already present. The ISP would essentially "rent" the fiber from the owners of the existing fiber optic cable.

Councilor McPhail asked Mr. Curry why the current internet provider in the Verde Valley (Suddenlink) provides such poor internet and customer service. Mr. Curry explained Suddenlink is owned and operated by a European company that is identified by the industry as an "ultra-low cost" provider, thus the lack of internet speed and customer service. They have no interest in improving their existing service because there is no competition. Lumen is a potential competitor.

Councilor Baker asked about the percentage of Camp Verde that has no internet service available. Also, has NACOG any information that might help us?

Ms. Spangler replied it appears 80%-85% of the community is underserved. NACOG performed a study of the Verde Valley area to examine the broadband availability. The FCC maps have helped tremendously to identify the unserved and underserved communities.

Councilor Escoffier asked about the cost to the Town. At what point in the process will Council know how much it will cost?

Mr. Curry replied, stating the Town would issue an RFI. In that process, interested ISPs would present to the Council their prospectus and written proposals, including financials.

Councilor Escoffier confirmed with Mr. Curry and Ms. Spangler, that no monies from the Town needed to be spent immediately.

Ms. Spangler replied, stating the money for hiring the consultant is necessary. It is an upfront cost, however, working with a consultant does not guarantee a BEAD award.

Council discussed the cost of hiring a consultant. Can ARPA funds be used? Ms. Spangler replied yes, or there may be money in the Economic Development budget for the consultant. She would need to examine her budget to be certain. ARPA funds may be able to be used for the consultant fee.

Vice Mayor Moore also wanted to assure that broadband was serving communities and businesses west on Highway 260. She is in support of moving forward on this issue and hiring a consultant. Equity is also important. Internet service should be available to everyone regardless of where they live in Town.

Ms. Spangler recognized that west on Highway 260 is a great opportunity to build infrastructure. It is important to follow the "dig once" policy. Fiber optic cable, along with water and sewer lines could all be put in at the same time. This needs further examination.

Council asked why the library has such good internet and parts of the community do not.

Ms. Spangler reviewed the reason the internet service at the libraries is strong. She explained it has to do with the availability of government funding for entities such as libraries.

Ms. Spangler explained to Council the importance of identifying what goals the Town has for broadband. For example; how much of Town does Council want to provide broadband for? 90 percent? And how will Town manage the remaining 10 percent? What about customer service and internet speed? All these questions need to be examined and answered.

Councilor Murdock stated she would like to see reliable internet throughout the community. Councilor Murdock works for the school system. They are currently in testing season and reliable internet is essential.

Mr. Curry told Council that the best thing Council can do, is meet with their State Representative and explain the needs of the Town. Including Town citizens in the meeting with the State Representative would be advisable.

Mr. Curry suggested how to provide internet service for the entire Town, even those in more rural areas. The option may be to have 90% fiber optic cable in the majority of Town, and have the ISP build fixed wireless technology for the rural areas. It may not be as fast as fiber, but it would be available for those rural customers.

Ms. Spangler explained the Town will need to hire a consultant to examine if the process is even feasible for Camp Verde. There are no guarantees. Ms. Spangler supported moving broadband through Town and east on Highway 260. Various funding is available for broadband in addition to the BEAD funding.

Ms. Spangler explained that the BEAD process provides access to the 1G service, however, the citizen will have to sign up and become a customer of the ISP.

Councilor McPhail expressed the importance of internet service equally throughout the Town.

Mayor Jenkins asked about her internet speed, how it decreases, then increases when she makes a complaint.

Mr. Curry replied her internet company may have very old equipment that may have not been updated. There is congestion at certain times of the day. Fiber optic does not have that problem.

Councilor Escoffier stated that she has no (internet?) options in her neighborhood and hopes Town can move forward quickly on this issue.

Mayor Jenkins directed staff to locate a consultant (and funding), to assist in the broadband project.

## 5. Adjournment

Mayor Dee Jenkins adjourned the meeting at 6:24 p.m.



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Mayor Dee Jenkins



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Attest: Town Clerk Cindy Pemberton

### **CERTIFICATION**

I hereby certify that the foregoing Minutes are a true and accurate accounting of the actions of the Mayor and Common Council of the Town of Camp Verde during the Work Session of the Town Council of Camp Verde, Arizona, held on March 15, 2023. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this 10<sup>th</sup> day of April, 2023.



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Cindy Pemberton, Town Clerk