

County of Los Angeles INTERNAL SERVICES DEPARTMENT

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August 9, 2023

To: Supervisor Janice Hahn, Chair

Supervisor Hilda L. Solis Supervisor Holly J. Mitchell Supervisor Lindsey Horvath Supervisor Kathryn Barger

From: Selwyn Holling

Director

QUARTERLY UPDATE - INVESTMENTS TO ACCELERATE DIGITAL EQUITY

On November 16, 2021, the Board of Supervisors (Board) approved a motion to invest in immediate- and longer-term efforts to facilitate affordable and reliable high-speed internet services to underserved communities impacted by the digital divide (Board Agenda Item 19). The motion designated the Internal Services Department (ISD) as the lead department responsible for coordinating the County's efforts on all community broadband infrastructure and residential service initiatives to close the digital divide. The motion also included several directives and instructed the ISD Director to report back to the Board with quarterly progress updates.

Attached for your review is the seventh quarterly update.

If you have any questions, please contact me at (323) 267-2101.

SH:sh

Attachment

c: Executive Office, Board of Supervisors
Chief Executive Office
County Counsel

Department of Public Works

COUNTY OF LOS ANGELES INTERNAL SERVICES DEPARTMENT INVESTMENTS TO ACCELERATE DIGITAL EQUITY

QUARTERLY PROGRESS REPORT August 2023

On November 16, 2021, the Board of Supervisors (Board) approved a motion to invest in immediate and longer-term efforts to provide affordable and reliable high-speed internet services to underserved communities impacted by the digital divide. As directed in the motion, the Internal Services Department (ISD) is providing quarterly progress reports.

Report History

ISD has submitted six previous progress reports, which can be accessed via the following hyperlinks:

1st Quarterly Progress Report (February 7, 2022)

2nd Quarterly Progress Report (May 13, 2022)

3rd Quarterly Progress Report (August 11, 2022)

4th Quarterly Progress Report (November 10, 2022)

5th Quarterly Progress Report (February 10, 2023)

6th Quarterly Progress Report (May 11, 2023)

Current Updates

Directive #1: Establish the County's lead department.		
Directive	Status	
a. Designate the Internal Services Department (ISD) as the lead department responsible for ensuring the County's efforts on all community broadband infrastructure and residential service initiatives to close the Digital Divide are coordinated and aligned under the County's Digital Divide Action Team, which is comprised of representatives from all County Departments and the Chief Executive Officer's Chief Information Office (CIO).	Completed	

¹ Los Angeles County Board of Supervisors, <u>Statement of Proceedings for the Regular Meeting</u>, <u>November 16, 2021</u>

Di	Directive #2: Conduct a Countywide campaign on financial subsidy programs.		
	Directive	Status	
a.	Instruct the Chief Executive Office (CEO), in consultation with ISD, to identify funding for a countywide promotional campaign to inform and educate constituents about financial subsidy programs that will assist with the costs of computers and internet service.	Completed	
b.	Instruct ISD through the Delete The Divide initiative to coordinate the countywide promotional campaign and subsidy programs, specifically the Federal Emergency Broadband Benefit. Additionally, the campaign should encourage the participation of all County Departments and, as appropriate, collaborations with internet service providers, telecommunication companies, school districts, regional consortia, community-based organizations, non-profits, and ethnic and hyper-local media. Outreach must be conducted in the County's multiple threshold languages.	Completed Phase1: EBB promotion Ongoing Phase 2: ACP Promotion	

2(b) Phase 2 Promotional Campaign: Affordable Connectivity Program (ACP)

ACP Update

The ACP is a \$14 billion federal subsidy program launched on December 31, 2021. It provides qualifying households with a monthly subsidy of up to \$30 for broadband internet service and a one-time subsidy of up to \$100 for the purchase of a computer, laptop or tablet. Eligible households on Tribal lands can receive a monthly broadband discount of up to of \$75. It is estimated that 1.6 million households are eligible for the ACP in Los Angeles County.

At the Board's direction, ISD has administered a countywide promotional campaign to increase awareness and enrollments in the ACP. Previous quarterly reports have discussed campaign activities and metrics, and ISD regularly promotes the ACP through social media, community outreach events, and the support of other County departments and partner organizations. As of July 2023, more than 723,000 households throughout the County were enrolled in the ACP.²

Los Angeles County has the highest enrollment count among all counties in the nation, notably twice as many enrollments as the county with the second highest count.³ Los Angeles County also has higher enrollment numbers than 43 states. Still, there are

² California Broadband for All: <u>ACP Enrollment Tracker</u>

³ Universal Service Administrative Co.: <u>ACP Enrollment and Claims Tracker</u>

approximately 900,000 households within the County that have yet to enroll. On August 1, 2023, ISD expanded promotional outreach efforts by assigning Digital Assistants at 32 County libraries to provide daily in-person assistance with ACP enrollments.

The ACP subsidy is available until the funds are exhausted, which is projected to occur by mid-2024. Digital equity stakeholders across the United States have raised concerns about the potential socioeconomic impacts to unserved and underserved communities should the subsidy be discontinued. In consultation with CEO-Legislative Affairs and County Counsel, ISD has supported advocacy favoring extension of the ACP.

Lifeline Programs

The Universal Lifeline Telephone Service has two programs that offer subsidies to low-income California residents for monthly telephone service, broadband internet service, or bundled voice-broadband packages: 1) the federal Lifeline program and 2) the California LifeLine Program.

The federal Lifeline program provides eligible households up to \$9.25 per month for qualifying broadband or bundled services and up to \$5.25 for monthly voice services. Subscribers may receive the discount on either a wireline or a wireless services, but the benefit cannot be applied to both services at the same time. Up to an additional \$25 per month is available to eligible subscribers living on Tribal lands.

The California LifeLine Program is a state program that provides up to \$17.90 per month for home phone and cell phone services to qualified households. Only one discount per household is allowed, except for teletypewriter users and for Deaf and Disabled Telecommunications Program participants. Each household must choose to get the discount either on a home phone or on a cell phone, but not on both. Households cannot get the discount from multiple phone companies.

On June 8, 2023, the California Public Utilities Commission (CPUC) approved two pilot programs for the California LifeLine Program to advance broadband affordability and access in underserved communities. The two-year pilots will enable wireline and wireless broadband service providers to combine the California LifeLine and ACP subsidies. Pilot participants may access up to \$57.15 (ACP \$30 + federal Lifeline \$9.25 + California LifeLine \$17.90) and up to \$127.15 on Tribal lands of combined federal and state support for standalone broadband service or bundled broadband and voice service plans. The CPUC intends for these pilots to test whether the California LifeLine can leverage federal programs to support new types of services, increase program participation, and offer higher-quality services than would otherwise have been possible. The pilot lengths will be either two years from or when ACP funding ends, whichever is sooner.

ISD has initiated efforts to include the California LifeLine Program pilots in the countywide promotional campaign.

Directive #3: Expand and/or enter into new agreements with the County's
existing broadband and/or carrier agreements for public access and use.

Directive	Status
a. Instruct and authorize ISD to negotiate agreements with assistance from County Counsel and input from the CEO, with internet service providers and telecommunication companies and if the proposed agreement can be shown by ISD to be in the County's best interest, return to the Board for approval to execute new agreements or amend existing agreements.	Ongoing

3(a) Negotiate Agreements with Internet Service Providers

ISD continues to receive interest from regional internet service providers and telecommunication companies willing to work with the County of Los Angeles to enhance broadband infrastructure. However, for business reasons, they have decided not to participate in the competitive solicitation process per Directive 4(b). These companies have presented fiber and wireless solutions to deliver low-cost, high-speed internet services to underserved communities ranging from no capital investments from the County to network lease options. As of the date of this report, ISD has not received written proposals from any company or negotiated agreements.

Directive #4: Provide options for internet solutions, including cost estimates and timeline, that meet the digital needs of our most vulnerable residents: affordability, sustainability, and connectivity to high-speed, quality service.

Directive	Status
a. Authorize ISD to amend its agreement, as needed, with the contractor that assisted in the development of its report to the Board in response to Item 45G of the August 31, 2021, Agenda to perform additional analysis for the options identified in the aforementioned report and provide program development services for future solicitations.	Completed
b. Instruct ISD to administer a competitive solicitation to acquire a Managed Service Provider to coordinate and manage the implementation of the Community Broadband Network. The scope of work should include, but not be limited to, project management, infrastructure design, system integrations, performance requirements, equipment testing and maintenance, administration of resources, and customer support services.	Completed

4(b) Solicitation for Managed Service Provider(s)

Since March 21, 2022, ISD has administered a Request for Statement of Qualifications (RFSQ) to establish a shortlist of companies deemed qualified to deliver Community Broadband Network (CBN) demonstration projects. The solicitation requires that respondents be able to provide high-speed, high quality broadband internet service to each subscriber residence using wireless technology, fiber or a combination of both. Only pre-qualified companies that sign a Master Agreement with the County are eligible to submit proposals for CBN work order solicitations.

The RFSQ process is open-ended such that vendors can submit statements of qualifications at any time through September 13, 2027. Any vendor that submits a response to the RFSQ will be subject to the same requirements and evaluation process to determine whether or not it will be recommended for pre-qualification. This process is not an indication or assurance that any pre-qualified company will be selected as a Managed Service Provider.

Currently, there are 11 pre-qualified companies with signed Master Agreements:

Company	Effective
AT&T	September 2022
Deloitte Consulting, LLP	September 2022
ICCN	September 2022
Insight	September 2022
Motorola	September 2022
NetSync	September 2022
Kajeet	September 2022
Smartwave	September 2022
T-Mobile	September 2022
Charter Communications	April 2023
WeLink	April 2023

Directive #4: Provide options for internet solutions, including cost estimates and timeline, that meet the digital needs of our most vulnerable residents: affordability, sustainability, and connectivity to high-speed, quality service.

Directive	Status
c. Instruct ISD to administer a competitive solicitation and negotiate agreements for public-private partnerships to construct and configure the Community Broadband Network.	In Progress

4(c) Solicitation for Public-Private Partnerships

The County intends to enter public-private partnerships for Managed Service Providers to deliver CBN demonstration projects within each of the 5 Supervisorial Districts. These projects will provide free and low-cost reliable high-speed internet in underserved communities impacted by digital divide. Projects are planned for East Los Angeles/Boyle Heights, South Los Angeles, San Fernando Valley, Southeast Los Angeles, and the Antelope Valley.

As part of the CBN project, the Managed Service Provider will have access to certain vertical assets owned by the County of Los Angeles and its municipal partners for placement of equipment to deploy broadband service. These assets include administrative buildings, public housing, libraries, schools, streetlight poles, and microwave and wireless towers. Such access and placement will be subject to applicable laws, regulations, infrastructure suitability and availability, and other factors at the County's sole discretion.

A competitive work order solicitation process is being used to evaluate proposals submitted by pre-qualified companies seeking to deliver a CBN project. The evaluation will result in a recommendation to the Board of Supervisors to award an agreement to the highest ranked proposer.

Work order solicitations are currently being administered for four project areas:

Project Area	Work Order <u>Released</u>	Proposal <u>Deadline</u>	Submissions Received	S Complete Evaluations
East Los Angeles/ Boyle Heights	January 24, 2023	April 21, 2023	6	July 2023
South Los Angeles	January 24, 2023	April 21, 2023	5	July 2023
San Fernando Valley	April 27, 2023	July 27, 2023	3	October 2023
Southeast Los Angeles	June 21, 2023	September 14, 2023	Pending	December 2023

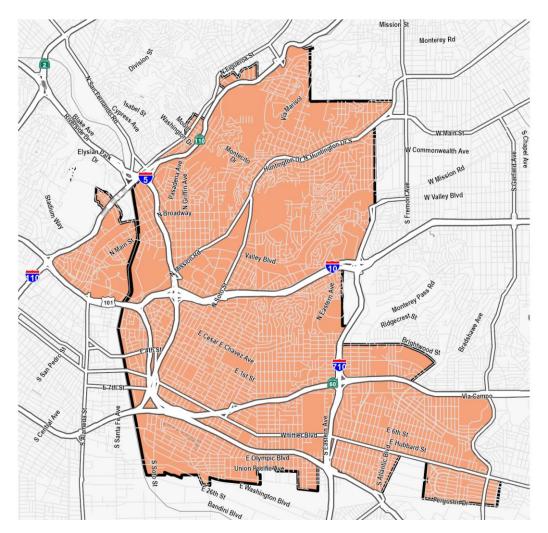
Prospective locations continue to be assessed for a demonstration pilot in the Antelope Valley in collaboration with the City of Palmdale, City of Lancaster, and Community Coalition of the Antelope Valley. These entities are currently administering independent studies on broadband deployment strategies. ISD has provided data to support their efforts and will continue to work with them to ensure that any potential CBN demonstration project aligns with their longer-term objectives.

East Los Angeles/Boyle Heights

In July 2023, the work order solicitation and evaluation process were completed for East Los Angeles/Boyle Heights. In September 2023, ISD will seek Board approval to award an agreement to the highest ranked proposer.

The project area is coordinated with a Memorandum of Understanding (MOU) between the County of Los Angeles, City of Los Angeles, and Los Angeles County Office of Education. The MOU is an agreement to deploy our competitive advantages (including assets and operations) to bring new public connectivity infrastructure to communities and achieve alignment on projects and funding opportunities.

Project Area – 25.52 Square Miles Total Households – 90,650 (includes estimated 20,617 households with no internet) Median Household Income - \$46,659



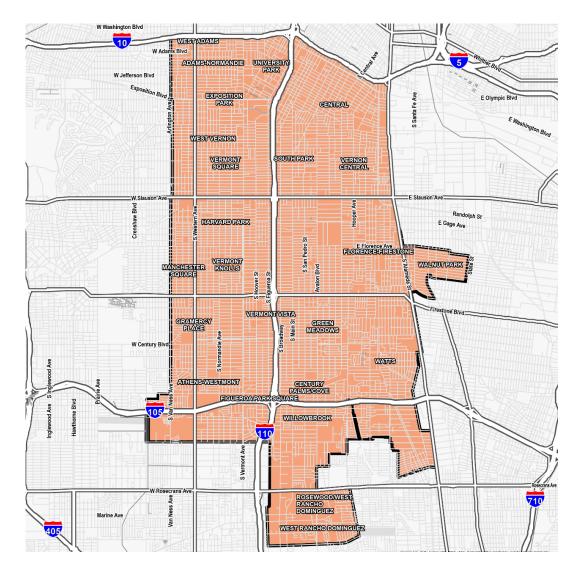
South Los Angeles

In July 2023, the work order solicitation and evaluation process were completed for South Los Angeles. In September 2023, ISD will seek Board approval to award an agreement to the highest ranked proposer.

This project area is also coordinated with a MOU between the County of Los Angeles, City of Los Angeles, and Los Angeles County Office of Education.

Project Area – 43.67 Square Miles Total Households – 190,878 (includes estimated 43,917 households with no internet)

Total Households – 190,878 (includes estimated 43,917 households with no internet) Median Household Income - \$41,131

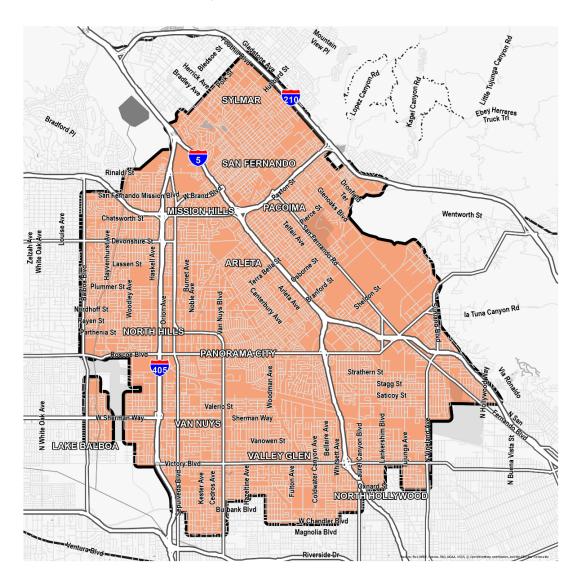


San Fernando Valley

On April 27, 2023, ISD released a work order solicitation for a CBN project in the San Fernando Valley. Only the 11 pre-qualified companies with a signed Master Agreement were eligible to submit a proposal. Proposals were due by July 27, 2023, at 2:00 p.m. (Pacific Time). Three pre-qualified companies submitted a response by the deadline. The evaluation and selection process are targeted for completion in October 2023.

This project is coordinated with MOUs between the County of Los Angeles, City of Los Angeles, City of San Fernando, and Los Angeles County Office of Education.

Project Area – 59.25 Square Miles Total Households – 186,275 (includes estimated 58,212 households with no internet) Median Household Income - \$55,970

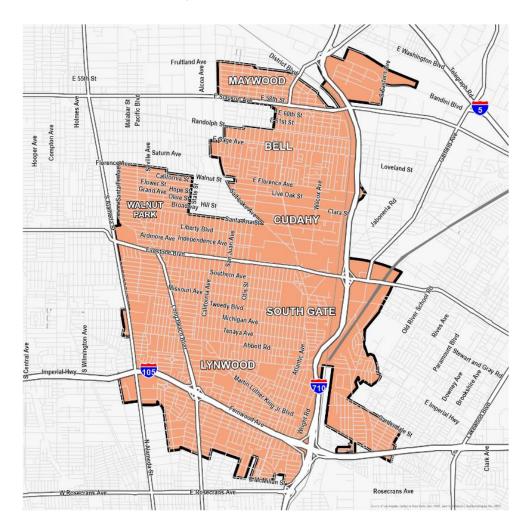


Southeast Los Angeles

On June 21, 2023, ISD released a work order solicitation for the CBN project in Southeast Los Angeles. Only pre-qualified companies with a signed Master Agreement are eligible to submit a proposal for this project. This includes the existing 11 pre-qualified vendors and any additional vendors that are pre-qualified by the proposal deadline. The proposal deadline is September 14, 2023.

This project is coordinated with MOUs between the County of Los Angeles and 5 cities: Bell, Cudahy, Lynwood, Maywood, and South Gate.

Project Area – 17.97 Square Miles 60,998 Total Households (includes estimated 23,114 households with no internet) Median Household Income - \$49,938



Directive #4: Provide options for internet solutions, including cost estimates and timeline, that meet the digital needs of our most vulnerable residents: affordability, sustainability, and connectivity to high-speed, quality service.

Directive	Status
d. Instruct CEO, in consultation with ISD and [Department of Public Works], to identify funding from Federal, State and/or County sources to support a five (5) year proof of concept model for a Community Broadband Network. Under the coordination of ISD, this pilot will utilize public-private partnerships and a Managed Service Provider for the deployment of a fully functional network of Citizen Broadband Radio Service and/or millimeter wave technologies to deliver reliable high-speed internet service to 12,500 households in digital divide target areas.	In Progress

4(d) Funding for Community Broadband Network

California Public Utilities Commission

On June 30, 2023, the CPUC Federal Funding Account (FFA) began accepting applications for last-mile broadband infrastructure projects to connect unserved Californians with high-speed broadband services. The FFA was established by Senate Bill 156 and will provide \$2 billion in competitive grants for last-mile projects. An updated interactive FFA Public Map illustrates locations eligible for funding, which has incorporated feedback from recent challenges throughout the State. Additionally, the FFA Scoring Rubric identifies the points that will be awarded for competitive grant proposals. ISD intends to submit a proposal for the County's Community Broadband Network project plan. The application filing deadline is September 29, 2023.

Infrastructure Investment and Jobs Act (IIJA)

On November 15, 2021, President Joe Biden signed into law the \$1.2 trillion Infrastructure Investment and Jobs Act (IIJA). The law appropriates \$65 billion for broadband improvements, affordability, and adoption, including \$42.45 billion in grant funding for planning, expansion, and adoption of high-speed internet. The primary purpose is to build internet infrastructure across the nation, create more low-cost internet service options, and address digital equity and inclusion needs in underserved communities. The funding will be administered through federal and state agencies, and mostly through grants that will sunset within a specified number of years or sooner if available funds are expended.

On June 26, 2023, President Biden announced the \$42.45 billion of IIJA allocations to states, territories, and District of Columbia for the Broadband Equity, Access, and Deployment (BEAD) Program. The purpose of BEAD is to support states and territories with broadband planning and deployment. The funds can also be used for broadband data collection and mapping; promoting broadband adoption, including the provision of affordable internet-connected devices; providing Wi-Fi or reduced cost internet access to multi-family housing units; and for other uses that the National Telecommunications and Information Administration (NTIA) determines are necessary to facilitate the goals of the program. Each state received at least \$100 million and can distribute funds through competitive grant programs. The remainder of the funds were allocated based on a formula that considers the number of locations in each state or territory unserved by broadband and the number of high-cost unserved locations.

The \$42.45 billion was allocated to each state based on the FCC National Broadband Map. California will be receiving \$1,864,136,508.93. It is anticipated that sometime in 2024 the State will announce competitive sub-grant opportunities related to this funding allocation. Although the State's sub-grant eligibility requirements have not been published, the County should be well-positioned to compete for funding awards.

Directive #4: Provide options for internet solutions, including cost estimates and timeline, that meet the digital needs of our most vulnerable residents: affordability, sustainability, and connectivity to high-speed, quality service.

Directive	Status
e. Delegate authority to the CEO to hire a consultant to conduct a financial and technical feasibility study for a County-administered municipal broadband service. The study should assess capital costs and consumer pricing models that will enable reliable high-speed internet access for households in digital divide target areas. The study should also consider existing County assets and licensing agreements as well as the utilization of public and private fiber optic and wireless network infrastructures that can be included in the County-administered strategy.	In Progress

4(e) Feasibility Study for County-Administered Broadband Service

The Chief Executive Office reports that Magellan Advisors (Magellan) has been selected to conduct a feasibility study for County-administered municipal broadband services in the eight communities of need as identified using the County's Equity Tool. Magellan has completed the broadband market analysis of the 71 census tracts within the eight communities and an asset inventory of the current publicly and privately owned broadband assets to determine their usefulness for expanding broadband within the region. Information from the market analysis, asset inventory and high-level design will be used to evaluate various service models for deploying broadband services, as each has different funding requirements, rates of return and risk profiles by the end of August 2023. The feasibility study comprised of a pro forma financial projection and broadband feasibility analysis for County-administered broadband services will be submitted in the next quarterly report.

Additional Updates

Director of Digital Equity

In September 2022, the Board approved a motion titled "Deepening the County's Commitment to Equitable Deployment of Enhanced Regional Broadband Infrastructure – Establishing an Intergovernmental Broadband Coordinating Committee". ⁴ This motion is an instruction to establish an Intergovernmental Broadband Coordinating Committee (IBCC) and hire a new Director of Digital Equity as the convener of the IBCC.

⁴ Los Angeles County Board of Supervisors, <u>Statement of Proceedings for the Regular Meeting</u>, <u>September 13</u>, 2022

On July 31, 2023, Rebecca Kauma was onboarded as the Director of Digital Equity. She was selected after an extremely competitive, nationwide search process administered by an executive search firm, which included the engagement of regional stakeholders. Most recently she served as the first Digital Equity and Inclusion Officer with the City of Long Beach in California, where she amassed a list of impressive accomplishments and industry awards. Additionally, she has taken active committee roles with the National Digital Inclusion Alliance.

Tech Empowerment Day

On October 4, 2023, ISD will host the 2nd Annual Tech Empowerment Day at the Los Angeles Memorial Coliseum. This a free special event for middle and high school students in underserved communities to expand their awareness and knowledge about modern technologies. With the support of public and private sector organizations, students engage in hands-on interactive experiences at activity stations, technology demonstrations, information booths, and learn about career pathways in technology. Additionally, school administrators and educators have opportunities to network with participating organizations and discuss potential collaborations on academic enrichment opportunities. This is a private event for schools and invited guests only, and requires advance registration. The event is not open to the general public. Last year more than 3,200 students participated in the event and this year's attendance is expected to grow to 6,000 students.