

# CLACKAMAS COUNTY BOARD OF COUNTY COMMISSIONERS

## Policy Session Worksheet

**Presentation Date:** 6/30/2020    **Approx. Start Time:** 3:45 pm    **Approx. Length:** 15 Min

**Presentation Title:** CBX Grant Opportunities

**Department:** Technology Services/Clackamas Broadband eXchange

**Presenters:** Dave Cummings, CIO / Director, Technology Services, Duke Dexter, CBX Coordinator

**Other Invitees:** Dave DeVore

### WHAT ACTION ARE YOU REQUESTING FROM THE BOARD?

Approval of the Clackamas Broadband eXchange (CBX) program applying for grants to expand the CBX fiber network to include fiber to the home (FTTH) in underserved regions of Clackamas County. CBX, in partnership with the City of Sandy, would submit applications for 2 separate grants that would provide funding for FTTH expansion. CBX would own and maintain the new fiber plant and the City of Sandy would be the Internet Service Provider (ISP). The grants would provide funding for fiber expansion that could bring enhanced ISP for up to 1,000 residents in rural areas.

### EXECUTIVE SUMMARY:

CBX has built a successful fiber infrastructure for the purposes of leasing high capacity dark fiber to schools, government agencies, fire / life / safety, utilities and similar institutions in and around Clackamas County at greatly reduced pricing. However CBX only provides dark fiber at this time. CBX would like to submit an application for 2 grant opportunities to provide ISP to underserved regions of Clackamas County in partnership with the City of Sandy. The grants would provide the funds to expand the CBX fiber network in areas known to be underserved in regards to broadband. CBX would construct the new fiber backbone and laterals to homes and the City of Sandy would provide the enhanced broadband service. This enhanced broadband service could provide the necessary connectivity to support remote working, distance learning and telemedicine in these trying times of Covid-19.

### FINANCIAL IMPLICATIONS (current year and ongoing):

Is this item in your current budget?    YES     NO

What is the cost? \$    See below    What is the funding source?    Oregon and Federal Grants

Oregon Broadband Office ~\$550,000

This is based on the estimated cost for construction and equipment for a build out of 12 miles of underground fiber that would pass roughly 160 residential homes. Actual costs will vary with the location and customer take rate for the ISP service.

US Economic Development Administration ~\$2.5 million

This is based on the estimated cost for construction and equipment for a build out of 40 miles of underground and aerial fiber that would pass roughly 900 residential homes. Actual costs will vary with the location and customer take rate for the ISP service.

**STRATEGIC PLAN ALIGNMENT:**

- How does this item align with your Department's Strategic Business Plan goals?  
This is in alignment with Technology Services' goals of building a high performance dark fiber infrastructure
- How does this item align with the County's Performance Clackamas goals?  
This is in alignment with the County's goals of:
  - Access for all utilizing the key initiative of making high speed internet available throughout the County

**LEGAL/POLICY REQUIREMENTS:**

Approval to proceed does not alter the current approved operations for CBX. CBX will be the owner and operator of the fiber infrastructure and the City of Sandy will be the ISP.

**PUBLIC/GOVERNMENTAL PARTICIPATION:**

Yes, CBX would partner with the City of Sandy to complete the project. This partnership would require a new Intergovernmental Agreement (IGA) similar in nature to the current Kiwanis IGA that was approved on August 8, 2019.

**OPTIONS:**

Staff present this proposal before the Board of County Commissioners with two options:

- 1) Deny proceeding with applications for grants to provide funding for fiber expansion. Continue to operate as a dark fiber provider.  
 PRO: Reduced risk, no potential competition, no additional staff or resources required  
 CON: Dark fiber only, no coverage of underserved County areas
- 2) Allow CBX to proceed with grant applications to receive funds for fiber expansion. This will allow CBX to build experience yet continue as a dark fiber provider only. Residents in the grant funded underserved areas will benefit with the enhanced broadband services. Potential revenue source to help fund fiber expansion to other rural residents.

**RECOMMENDATION:**

Staff respectfully recommends the Board of County Commissioners approves option 2 allowing CBX to proceed with applications for the 2 grant opportunities. This will allow CBX to build experience, further develop an ISP service partnership and support processes, start a new potential revenue source to help fund fiber connectivity to remote residents.

**ATTACHMENTS:**

CBX map for OBDD grant area.  
CBX map for EDA grant area.

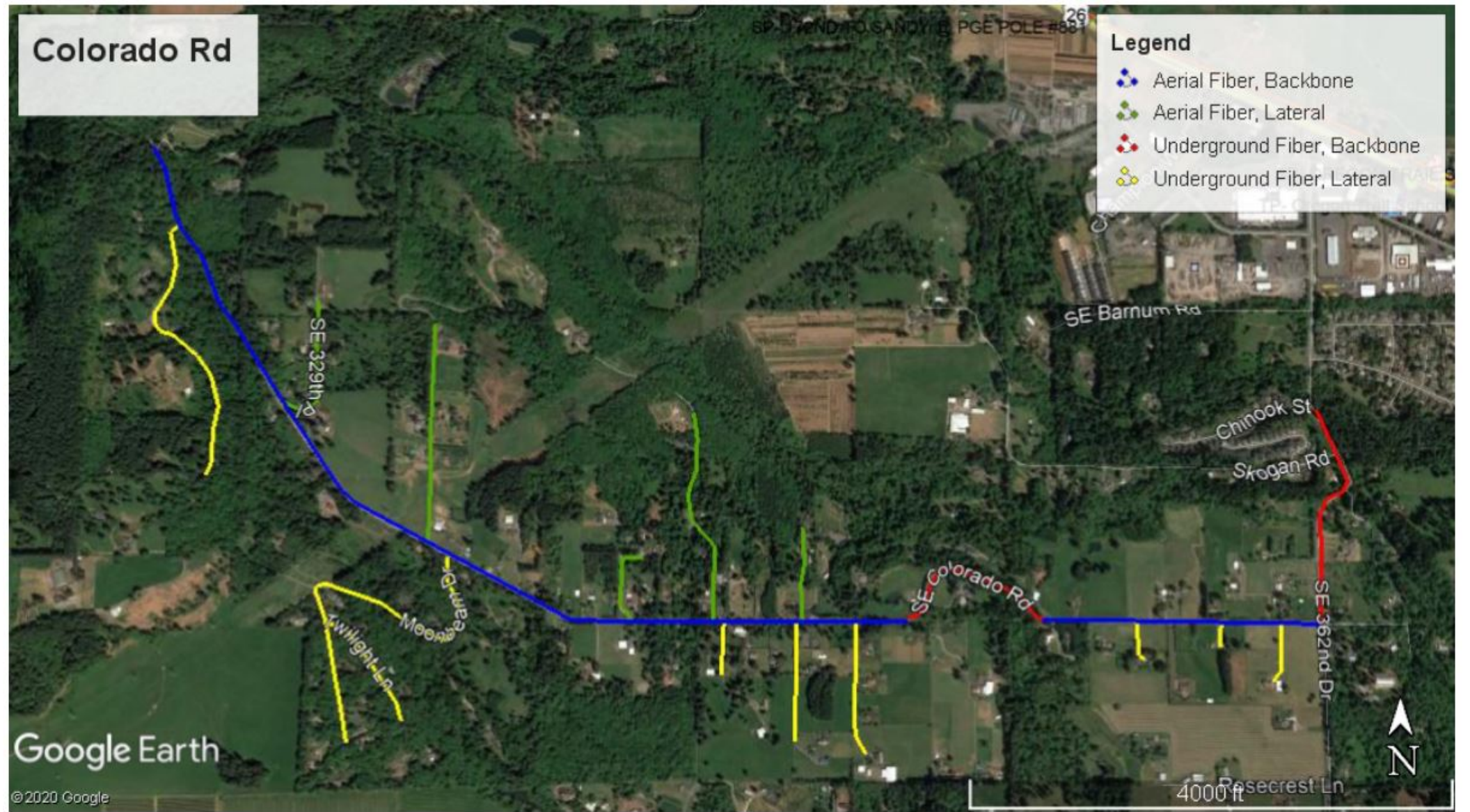
**SUBMITTED BY:**

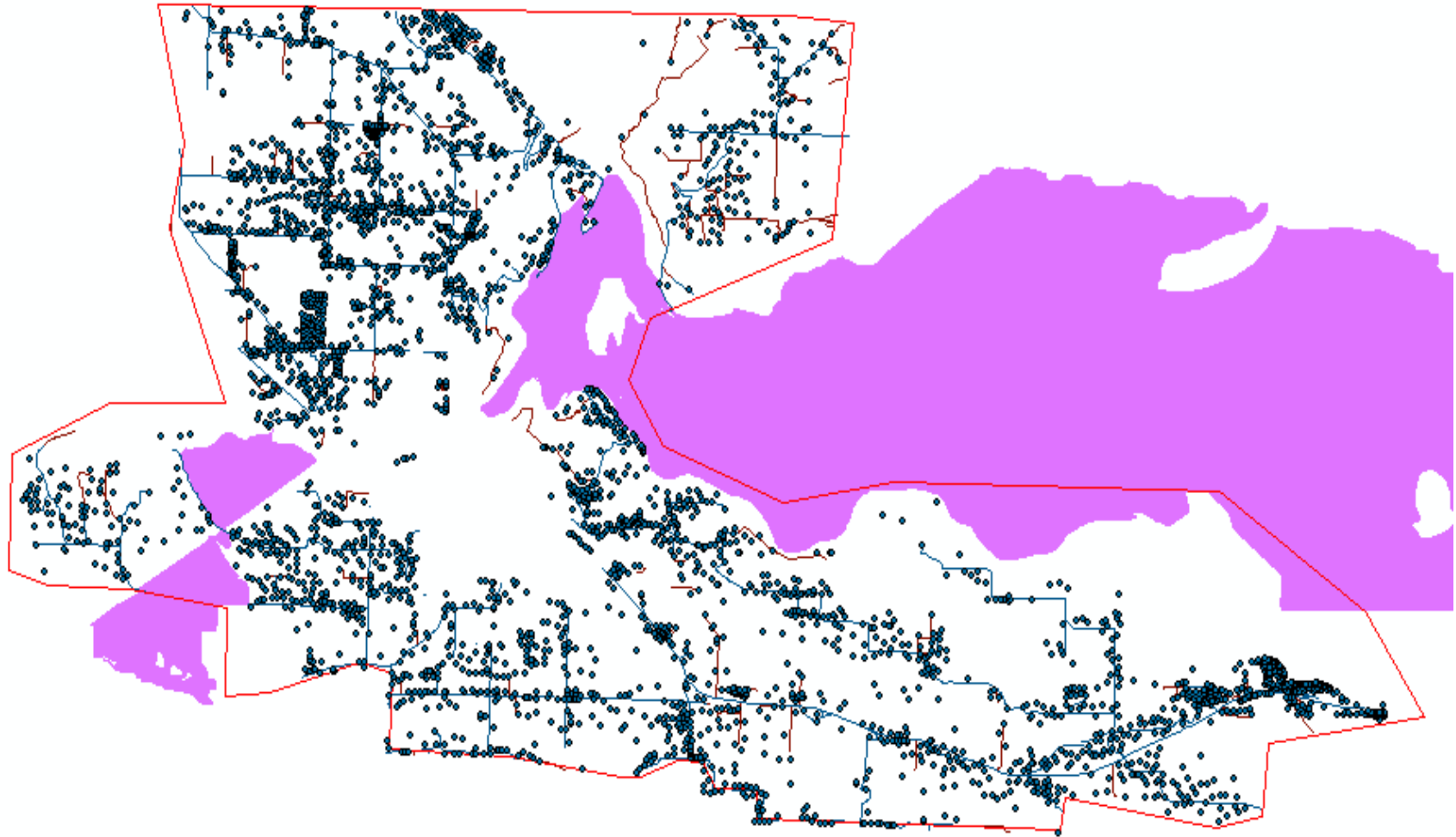
Division Director/Head Approval   
 Department Director/Head Approval DC DC  
 County Administrator Approval \_\_\_\_\_

# Colorado Rd

**Legend**

- Aerial Fiber, Backbone
- Aerial Fiber, Lateral
- Underground Fiber, Backbone
- Underground Fiber, Lateral





EDA Initial Service Area Map for CBX