

ATIC Partnerships & Business Model Groups
March 1, 2017, Teleconference Report

Attendees: Oris Friesen, Henry Goldberg, Mark Goldstein, Jay Schlum, Mike Whipple, Mala Muralidharan, Michael Cohen, Ron Schott, Steve Peters, Andy Phelan, John Kelly, Brenda Beall, Debra Dupée.

This is a report on the conference call held Wednesday, March 1, 2017, at 10 a.m. to follow up on the Partnerships/Business Model Groups (Strategy Committee) topics.

1. With respect to partnership possibilities with the Arizona Commerce Authority (ACA), Bill Bolin was unable to attend but he left this message with Oris: My update on ACA has not changed, it is incumbent on ATIC to
 - 1) decide if you are going to be around,
 - 2) formulate a game plan. I believe the last ATIC meeting with rural attendees and Senator Sylvia Allen generated some good thoughts around E-Rate and the Arizona Corporation Commission (ACC). Put together a Plan and then
 - 3) meet with Keith Watkins ACA.

Mark Goldstein expressed his feeling that we should contact ACA sooner rather than later, even without a full-fledged value proposition statement. We could build on the availability of the Broadband Map, for example. And we could focus on eliciting their needs and ideas on collaboration and mutual support.

Debra Dupée said that in the past similar organizations such as the Arizona Association for Economic Development (AAED) were skeptical of broadband's role in economic development and were not impressed by the Broadband Map, and that is why we need a value proposition before we talk to groups like this. Mark responded by saying that Sandra Watson, President & CEO of ACA, recently spoke at an ACA smart cities meeting about the critical need for broadband for economic development in rural and urban areas. The new rural attendees at the last ATIC Board Meeting were also concerned about broadband availability and reliability.

Steve Peters noted that there are two issues here: one is partnering and the other is defining the purpose of ATIC.

Brenda Beall commented that our value proposition is illustrated by our background and past accomplishments as documented in the Template of Assets and Appendix A prepared by the Partnerships/Business Model Group. We need to meet with ACA to tell them who and what we are, and discuss how we could help them

2. Mark reported on partnership possibilities with the Governor's Office of Education Broadband & Internet Connectivity Initiative.

Ron Schott has arranged for Milan Eaton to speak at our March 8th ATIC Board meeting regarding the E-rate modernization program for broadband infrastructure and his efforts to get schools to apply as well as the status and outlook for the Governor's initiative. Mala Muralidharan said she would be glad to work with Milan providing the perspective of this program on libraries in this presentation to the ATIC Board. Mala added that the E-rate application process opened on Feb. 27th.

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John Kelly said he has been working several issues with Mark Masterson of the Arizona Department of Education (ADE) but he has not yet scheduled a meeting to discuss ATIC partnership possibilities with him. Masterson is still working on issues such as data feeds from various school districts. He is making progress and his team is soliciting emails to be sent to the legislature in support of funding. Mark Goldstein suggested waiting until after the presentation by Milan and Mala at the upcoming Board meeting to approach Masterson for a meeting

In response to Steve's request for a timeline, Mala said the ACC vote will be on March 14th from 10:00 am – 1:00 p.m., April 13 is the deadline for receiving RFPs and the E-rate submittal deadline is May 11. John added that no one knows when the legislature will finalize the budget, but it will probably be sometime in May.

➔ Mala and Milan will prepare a presentation on E-rate for the next ATIC Board meeting.

3. Mark reported on the state of the ATIC website, which remains in limbo.

Mark said that he has been working on the WordPress editing thanks to help from Mike Whipple, but the general credentials Mark received are not recognized at that entry point. He did find a place to install some minimal functionality, but that only created a sub-page for blogging. He plans to contact the hosting company SiteGround to get some tech help. Steve noted that Raman Khurana (of PerfOpt Technologies) and his people are knowledgeable about WordPress, so Mark may contact Raman after he has received acceptable credentials.

4. Report on the progress of the Tiger Team to address the Arizona Universal Service Fund (AUSF) Proposal and Senator Sylvia Allen's Legislative Budget for Rural Broadband.

Mark explained that we were to advise Senator Sylvia Allen about technical implications regarding FCC E-rate broadband funding, and constraints and opportunities for leveraging it for greater community use. Mark has gathered a list of potential participants for a meeting, including service provider executives, Governors Education Broadband Initiative officials, and selected ATIC Board members to form a Tiger Team to address these topics. However, in the face of questions regarding the appropriateness of inviting some of the candidates on his list, he has decided to wait and see what transpires at the ACC meeting tomorrow and the ATIC Board meeting next week.

Henry Goldberg asked if the providers would welcome ATIC involvement. Mark said he knows of at least one provider who would welcome the involvement of ATIC but there may be competitiveness concerns and issues for many of the providers. In response to Steve's comment that we need to establish our position as soon as possible before taking on the ACC related effort Mark said the purpose of the Tiger Team was really to address Senator Allen rather than the ACC.

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Ron asked if we have contacted Senator Allen and alerted her to our intentions. Ron said this is priority one. Mark noted that the Senator and Mike Keeling exchanged contact information but we do not know if Mike has connected with her. Mark will look into the status of the interaction between the two.

Mala suggested that perhaps we should have a Tiger Team meeting this afternoon to coordinate our messaging before the ACC meeting tomorrow. This was not followed up on.

Steve Peters commented he heard some service providers are opposed to the RFP process because government may build broadband infrastructure. Mark said the real question is how to leverage the ACC proposal rather than if it is to be a public or private effort. Mark observed that the infrastructure will be built by the service providers after the RFP process is completed. The issue is: Will the implementing provider gain an advantage in the rural areas over the other competitors? Perhaps we could say we want the resulting network to be able to be leveraged for general community use and that the communities' existing Internet access speeds should not be lessened by the schools' E-rate implementation. This is the message we heard at last month's ATIC Board meeting from the rural community representatives in Payson and Gila County.

Henry asked how can ATIC help the process move along. Mark responded that we should not request the ACC to endorse our offer to help. We should instead focus on Senator Allen.

Ron said we should mention the availability of ATIC to help move things forward.

John said this ACC effort and the Governor's proposal is the greatest step forward in broadband that has occurred in Arizona in the last 25 years. We should offer our unmitigated support, and it would be wise for us to say that. Mark said we might eventually become a convener for interested parties.

We agreed that Mike Keeling is the right person to carry our message to the ACC tomorrow. Brenda cannot attend but Mark will ask Mike to speak on behalf of ATIC. If Mike cannot make it then Mark will carry the message and deliver the sentiments that John mentioned and offer ATIC support.

➔ Mark will contact Mike Keeling today.

Henry recommended that Mike Keeling's statement at the March 2nd Arizona Corporation Commission workshop should include the following sentiments:

- ATIC strongly supports the Arizona Corporation Commission Arizona Universal Service Fund surcharge and state government funding to provide the required state matching funds for federal government E-rate funding of broadband infrastructure for rural schools and libraries. (As John Kelly stated this is the best opportunity Arizona has ever had for rural broadband development).

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- ATIC believes it is critical that these E-rate funds be leveraged as effectively as possible to meet the overall broadband infrastructure needs of rural communities for health care, businesses, homes, and government.
- ATIC offers its services to the Arizona Corporation Commission and Senator Sylvia Allen's Education Committee in convening meetings of stakeholders including service providers, rural communities, and state government officials to consider the opportunities for leveraging E-rate funds for overall rural broadband needs.

Responding to John Kelly's comment that ATIC should only express unmitigated support for the ACC AUSF surcharge and state matching funds, Henry responded that it is obvious that ATIC supports this direction from its mission to promote rural broadband development, and the ACC and the Governor's Education Broadband & Internet Connectivity Initiative are going ahead with this initiative without ATIC support (they don't need our endorsement). Henry believes ATIC should take a stronger role in moving the process forward in the best direction for the future needs of rural communities. The objective of cost-effectively designing broadband infrastructure to best meet the overall needs for rural communities was emphasized in the Digital Arizona Council "Arizona's Strategic Plan for Digital Capacity" document from 2012 in which a number of ATIC members participated, and the recommendations from this report have languished since then. Now is the time for ATIC to reiterate this point and help move the process in the right direction though time for doing this is short.

The Arizona Technology Council (AZTC) legislative session is tomorrow and we might want to provide input to the panel about the Governor's five million dollar budget item regarding whether the legislators understand this and do they support it. Mark might ask this. There is a panel session and an informal meeting mixer at the AZTC offices later in the day. Registration is required. Michael Cohen asked for the schedule of what is happening and when.

Brenda suggested sending comments to Mike Keeling.

5. Report on the sentiment of the board on the future direction for ATIC

The directions that were voted on were:

- (1) Continue largely as is
- (2) Expand and reinvigorate
- (3) Merge with another non-profit

Mark noted that there was not an overriding vote for one or the other position but the rankings were (2) followed by (3) followed by (1) in a fairly narrow spread.

Mark said if we decide to expand and reinvigorate how do we move forward along these lines? Where are the resources and champions to begin to ramp up revenue, develop new initiatives, recruit staff, develop the marketing and branding, etc.?

Brenda said perhaps we need more discussion.

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Mark noted that another consideration is that elections are due in April. There may be some changes in the executive committee within next few weeks.

Do we want to make a decision? There could be a motion brought before the Board to go down one of these paths after which we may need to act.

Steve repeated that we haven't adequately discussed our value proposition. Three years ago the strategy committee had a plan and we should revisit that plan. Mark acknowledged that would be appropriate if choose option (1) or (2), but somewhat moot for option (3).

Responding to Steve's point that ATIC still lacks a value proposition going forward, Henry stated the following: We have prepared an organizational resume including the Template of Assets and Appendix of ATIC past accomplishments, as well as a broad listing of potential partners to contact in the future. The current E-rate funding program presents a critical opportunity for ATIC to play an important role in shaping the direction of future Arizona rural broadband development. The situation is urgent because the ACC and State Government are making decisions about state matching funds during March through May and time to make a contribution is short. ATIC should respond assertively and quickly. This is important for the future of rural Arizona and the state, and it is important for ATIC to make its mark as a key contributor to rural broadband development. This will be central to defining an important ATIC value proposition going forward.

Debra asked if we should dialog amongst ourselves. There was general agreement that we could do so by doing a reply all to the notices that Oris has sent out. Alternatively we could post comments to the Strategy Committee at atic-strategy@yahoogroups.com.