

BCN ADVISORY COUNCIL MEETING

Tuesday, March 15, 2011

Attendees:

Phone Bridge: Mike Mietz, Joan Wade, Greg Barniskis, Bill Schultz, Connie Bandt, Marge Jeffers

In Person: Tim Schell, Tom Taibl, Diane Kohn, Nan Linde, Bob Bocher, Jay Jaeger

Meeting called to order at 3:00 p.m. by Tim Schell.

BCN Contract Discussion

- Offer from AT&T. DOA sent letter to AT&T in response. A meeting is scheduled for Thursday.
- E-Rate deadline is a week from Thursday. Some of the concerns that DPI is hearing include:
 - Concern over five-year commitment requirement, particularly for the later years. Suggest an opt-out clause, which it is believed will not create any real revenue risk. Bob Bocher requested DOA get back to him on this point.
 - AT&T is trying to get as close as possible to the conditions that were expected to exist after the grant without the grant funding actually being present. AT&T is concerned about the well-being of any individual carriers that might make an investment and then have their particular customer pull out of BCN, leaving them holding the bag.
 - The state will have to make a considerable investment for head-ends for HD which approaches \$1 Million.

Response to BCN Advisory Council Letter of 2-24-11

Who will pay for the fiber when it is needed by a BCN customer, either at a current copper served site or at a new site?

- Who pays for fiber will be part of the negotiations? Some bonding of copper circuits may be required to obtain the bandwidth goals. In other cases, it may be more practical to install fiber. This will likely be a site-by-site decision.
- The TEACH budget may not be adequate to take all of the libraries to 20Mb/s. If a library defers the decision to go to 20Mb, what is the impact? Tom Taibl indicated that the costs for laying fiber aside, the pricing should hold. It was noted that 229 libraries had 10 workstations or less, 112 had more than 10 workstations.

2 –What is the status of HD video service?

- AT&T anticipates placing bridges in the design for HD. Thus those that want to go HD would be able to do so. The offering is expected to also handle SD for those without the funding for HD. (editorial: There was no particular discussion of bridging HD and SD sites, but I think that would be an important consideration)

3 – Will non-agency BCN customers have to commit to stay on BCN through November 2016?

- See comments under BCN Contract Discussion above.

4 – Seeking assurances that the contract extension will provide the bandwidth levels stated in the grant (20 mpbs at \$100/month for libraries and 100 mpbs for schools and library head-ends for \$250/ month) within the context of current TEACH statutory language.

- The idea is to optimize the TEACH funding across a broad range. It is not anticipated that legislation would be required as the guidelines are contained in administrative rule.

5 – Request that \$816,000 from the 5 million in TEACH reserve held for the grant match be allocated to pay for new routers needed by schools.

- DOA is trying to maintain funding for the local equipment (e.g. head-ends for HD), in the \$800,000 to \$1Million range.

6 – What is the status of the \$5 million in TEACH reserves that was to be used for the grant match?

- The TEACH reserves that were to be used for a grant match are still in place, and DOA expects to employ those funds.

7 – Encourage conclusion of contract extension before 2011 Federal e-Rate cycle on March 24, 2011.

- Contract extension: working on negotiations, and are making real progress.

UW Extension CAN ARRA Grant Status

No UW representatives were available to provide a report.

State Agency Perspective

Jay Jaeger asked if any cost reductions will be available for state agencies in light of budget cuts? DOA stated that the new contract will work on this and hope to reduce costs. Still in negotiations and cannot comment.

A lot of agency circuits are living at the “boundary” of speed between what is available for DSL, and BCN. Generally most agencies do not have additional funding for circuits.

Tom Taibl noted that he hopes to be near an agreement at the next meeting with DOA and can then look at key issues with agencies. AT&T is interested in knowing what additional applications or budget possibilities might exist. Suggested this as an agenda item for the June meeting.

Adjourn

Bob Bocher move to adjourn – second by Joan Wade. Meeting adjourned at 4:40 p.m.
Special thanks to Jay Jaeger for assisting with the minutes.