M E M O R A N D U M

October 18, 2021

TO: Government Operations and Fiscal Policy Committee

FROM: Dr. Costis Toregas, Council IT Adviser

SUBJECT: Oversight Worksession: Cable Plan

PURPOSE: Briefing on FY22 Cable Plan initiatives

Expected Participants:
Gail Roper, Chief Information Officer, Technology and Enterprise Business Solutions (TEBS)
Shayna Taqi, Chief Change Officer, TEBS
Skyler Grubbs, Acting Change Manager, TEBS
Joe Webster, Chief, Office of Broadband Programs, TEBS
Allison Dollar, Chief Budget Officer, TEBS
Derrick Kenny, Digital Media Manager, Office of Broadband Programs, TEBS
Nannette Hobson, Chief Executive Officer, Montgomery Community Media
Barry Hudson, Co-chair, Connect Montgomery Alliance Public Information Officer
Office of Management & Budget (OMB) Representative
Julie Knight, Analyst, Office of Management & Budget (OMB)

Background

Due to the ongoing COVID-19 pandemic, the Council's FY22 budget review process included a consent calendar approval of several department/office budgets with the plan that those departments/offices would be scheduled for a Committee oversight review session in the Fall of 2021. This is one such review.

Purpose

The purpose of these oversight sessions is to provide the Committees with an opportunity to meet with Department/Office Directors; receive updates on key programs or initiatives; and review any relevant pending or performance data.

Potential Topics of Discussion

The Cable Plan provides an annual allocation of cable industry franchise fees and other related income to support telecommunications and connectivity efforts in the community. This year, the Cable Plan allocated $17,469,611 to various purposes (see circle 1). This worksession will give the Committee a chance to hear from the various recipients of support and understand some of the major accomplishments and challenges ahead.

The presentation will include:

> ➢ a report from the Montgomery County Alliance (MCA) that allows strong and effective collaboration amongst the recipients of the Cable Plan revenues. Of importance to the Committee will be a status report on the hiring of a staff person that will work on team efforts and outcomes across departments and agencies;
> ➢ a report from MCM, an independent, non-profit 501(c)(3) organization that receives the majority of income from the Cable Plan; and
> ➢ a report from the Department of Technology and Enterprise Business Solutions (TEBS) that provides coordination and administers the Plan overall.

This packet contains:
© 1-2   FY22 Cable Plan Budget Highlights
© 3-14   Cable Plan Presentation to GO Committee

Department/Office: Cable Television Communications Plan
Staff: Dr. Costis Toregas, IT Council Adviser

1. **Staff Recommendation**

   Council staff recommends approval of the FY22 Cable Television Communications Plan budget as submitted by the County Executive.

2. **Summary of FY22 Recommended Budget**

   The County Executive's complete FY22 Recommended Operating Budget for the Cable Television Communications Plan is attached at ©1-12.

Cable Television Communications Plan	FY21 Approved	FY22 CE Recommended	Change from FY21 Approved
General Fund	**$16,518,580**	**$17,469,611**	**5.8%%**
Personnel Costs	$4,318,138 30.75 FTEs	$4,465,948 30.75 FTEs	3.4% 0%
Operating Costs	$12,200,442	$13,003,663	6.6%
Total Expenditures	**$16,518,580** **30.75 FTEs**	**$17,469,611** **30.75 FTEs**	**5.8%** **0%**

3. **Summary of FY22 Recommended Changes/Adjustments**

   General Fund - With Service Impact

   - An increase of $700,000 for FiberNet3 build-out

   - An increase of $100,000 for HOC Digital Equity Initiative

   General Fund - No Service Impact

   - An increase of $84,197 for FY21 Compensation Adjustment

   - An increase of $32,148 for FY22 Compensation Adjustment

   - An increase of $34,686 for various other adjustments

4. **Suggested Discussion Items for Fall Overview Session**

- Declining revenues from Cable franchise fees have a major impact on current and future Cable Plan investments. The current FY22 gap was resolved by transferring resources from the fund balance, as well as with a $700,000 transfer from the General Fund. The Office of Broadband Programs is working on major restructuring options that could have <u>severe</u> implications on currently-funded programs to solve this gap in future years. Since County Council ongoing communications expenses are supported by the Cable Plan with $943,000, the Committee must be kept informed of changes that may impact this allocation.
- The Connect Montgomery Alliance (CMA) has affirmed their strong focus on Racial Equity support programs in FY22.
- The Committee supported the idea of a CMA Coordinator in the preliminary Cable Plan review earlier this year; the Office of Broadband Programs (OBP) is readying such a position funding plan that will use proportional funding from all Alliance partners to accomplish, and will report on progress when complete.
- A Committee review of performance and accomplishments in the Fall 2021 timeframe is recommended. At that time, the Committee can have a robust discussion regarding sustainability of Cable Plan programs and review potential strategies before the development of the FY23 budget.

Highlights

MoCoNet

MoCoNet, launched in late 2020 by the Office of Broadband Programs and its partners, provides free, reliable internet access and whole-home managed Wi-Fi service to low-income and special-needs households.

MoCoNet

MoCoNet

Growing in Service

○ Bandwidth provided to residents has **doubled**!
Then: 50 Mbps upload and download
NOW:100 Mbps upload and download

Twice as fast as before, including **sufficient upload speeds to facilitate telework and tele-education**.

○ In late November, MoCoNet will provide service to Upton II in downtown Rockville for a total of **215 units with MoCoNet service available**.
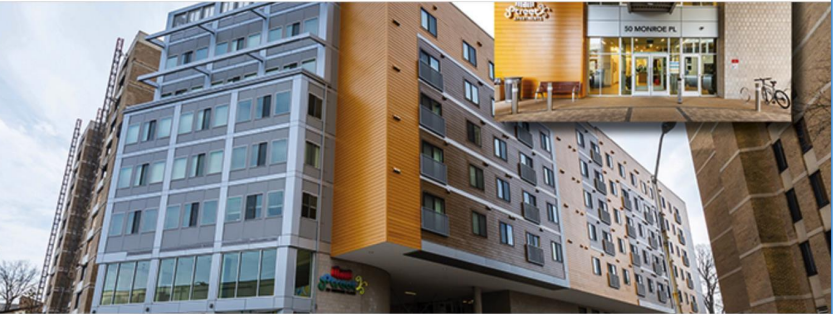
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Future is Bright

○ More and more affordable housing partners, including HOC, Victory Housing, MHP, and AHC continue to express interest in MoCoNet's service

○ As a result, the expressed **demand for MoCoNet service now stands at over 11,000 affordable housing units**

Closing the Digital Divide for Low-Income and Special-Needs Residents: Main Street Connect

March/April 2021 ·
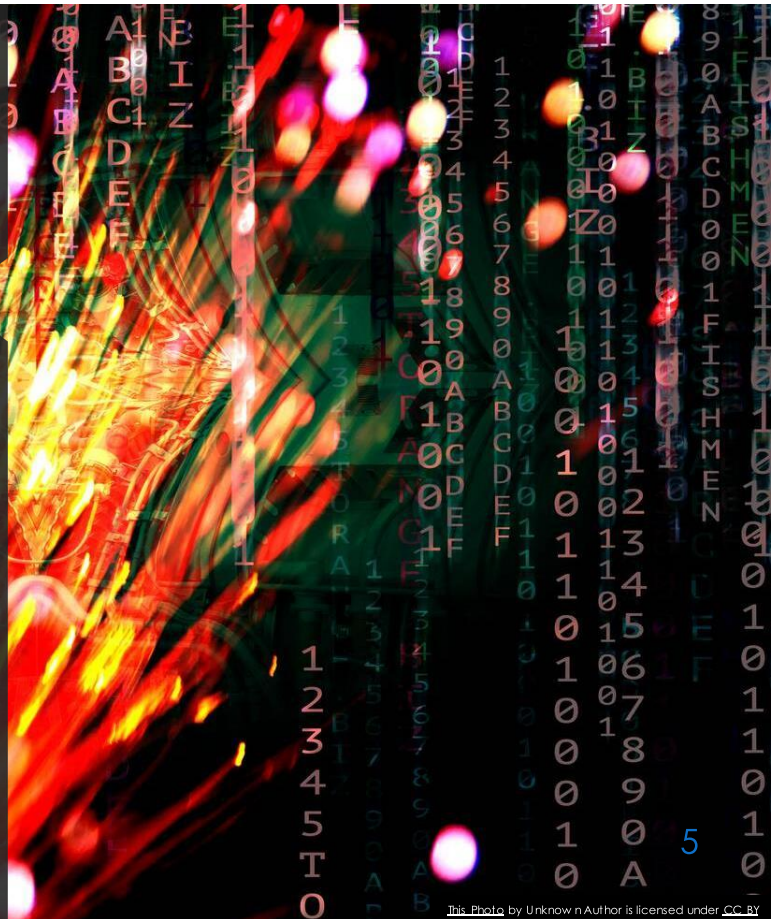
By Sean Buckley | Broadband Communities

Main Street Connect is a new apartment complex in Montgomery County, Maryland, that offers symmetrical 50 Mbps internet services and digital training for low-income and special-needs residents via a partnership with the county government's Department of Technology Services. Broadband Communities thanks Joseph Webster, the department's chief broadband officer in the Office of Broadband Programs; Marjorie Williams, the department's broadband, cable and franchise division manager; and Pierre Trudeau, CTO of Positron, for helping compile this profile.

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FiberNet3

FiberNet3 – Integrates new equipment to the existing FiberNet system to **improve performance – NOW 10 times faster and improved capacity (from 10 Gbps to over 100 Gbps).**

More than **78.5% of FiberNet connected sites have been converted to FiberNet3**, and we're on schedule to convert all sites by the end of December.

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FiberNet3
to the Rescue

In April of this year, MCPS's sudden and unexpected need for improved bandwidth due to the impact of COVID-19 and hybrid learning models prompted OBP to expedite the planned MCPS FiberNet3 upgrade several months earlier than scheduled. **OBP converted all 220+ schools over the span of 12 days** versus the original 90-day implementation plan, **providing MCPS with a 10-fold increase in capacity**.
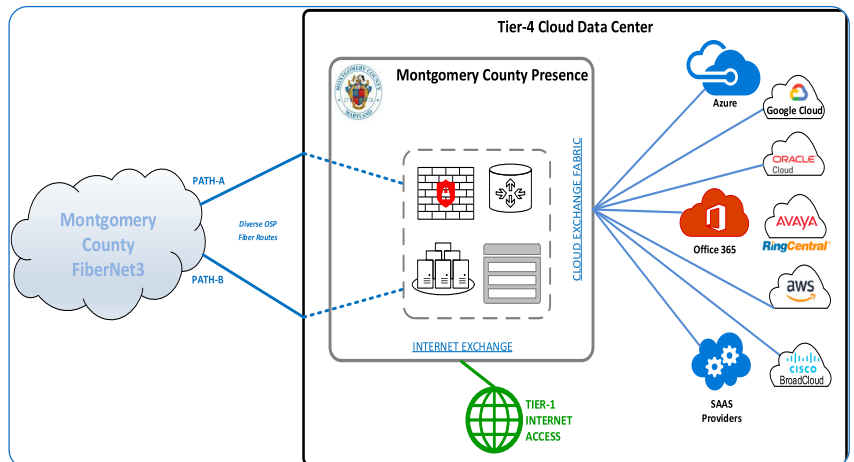
FiberNet3

"This partnership has provided far better internet service to our schools, classrooms and community," said Pete Cevenini, MCPS Associate Superintendent of Technology and Innovation. "MCPS truly appreciates the willingness, time and efforts of the Montgomery County government on the success of this vital project."

FiberNet3
Disaster Recovery as a Service (DRaaS)

FiberNet3 will also provide redundant connectivity to a Tier 4 data center in Ashburn, Virginia to provide faster and more cost-effective internet service, direct connectivity to all cloud service providers, and greatly enhanced our disaster recovery & business continuity capabilities.

What's Happening MoCo Podcast

- **38 episodes** produced and distributed over the last year with **37 representatives** from **22 County or State organizations**.

- Features interviews with elected officials, department heads, County employees, County businesses, and organizations.

- Highlights events, issues, and happenings in Montgomery County with an emphasis on sharing County government resources and information relating to COVID-19 relief.
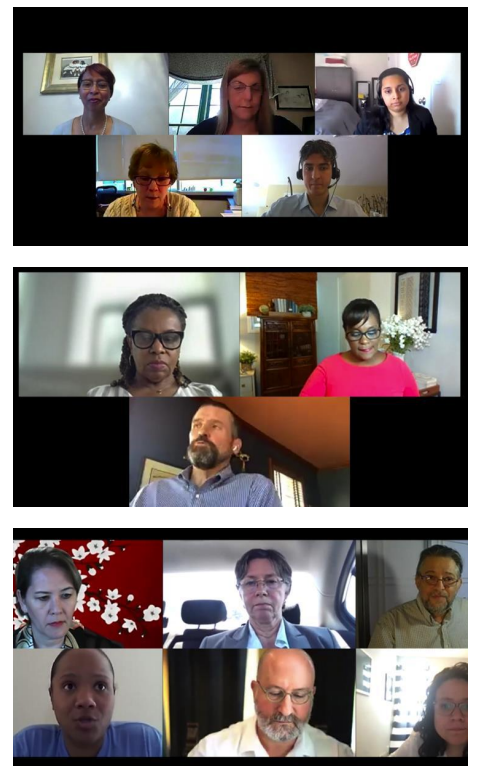
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Digital Inclusion Education Summit

Montgomery County Office of Broadband Programs, along with the Maryland Office of Statewide Broadband, and the University of Maryland Extension, hosted the Maryland Digital Inclusion Education Summit bringing together libraries, schools, and digital inclusion advocates to discuss development of digital equity curriculum and programs across the state.

The State of Maryland has provided $4 million in the FY22 budget to the University of Maryland Extension to create a new division to focus on supporting, training, developing curriculum, and disseminating awareness and educational opportunities to bridge the digital divide and support internet adoption statewide.
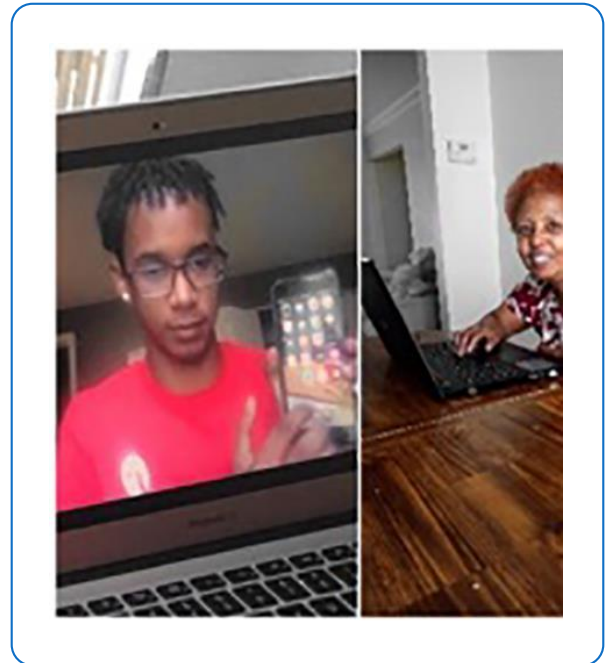
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Montgomery Connects!

MontgomeryConnects! provided **400 hours of one-on-one technology support** to enable older adults get help using cell phones, smart phones, computers and printers.

Leveraging the rich diversity of Montgomery County, **tech support was offered in 12 languages**, with **over 50% of services offered in Spanish and Mandarin**.

Montgomery Connects!

96% of participants reported their appointment helped them achieve success in using technology

89% reported their comfort with technology improved.

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