

# Broadband Incorporation into Roads, Interfacing with the DOT and Rights of Way (ROW)

Transportation Infrastructure Revenue Subcommittee

July 24<sup>th</sup>, 2023 in Hobbs, NM

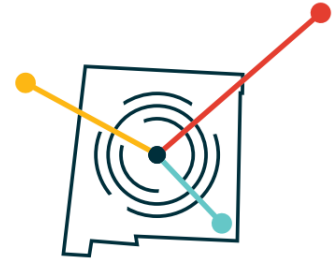
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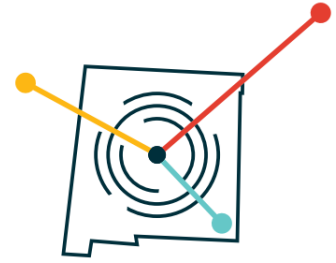
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# Agenda

- OBAE Update
- DOT Partnership and Close Coordination
- Candidate Legislation on ROWs
- Summary

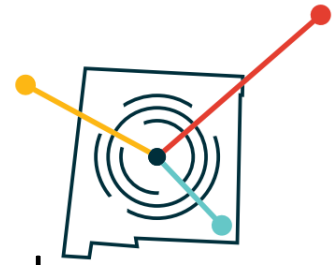


# Acronyms



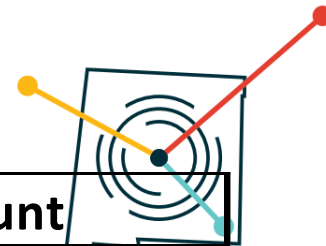
- ARPA: American Rescue Plan Act
- BIA: Bureau of Indian Affairs
- BEAD: Broadband Equity Access and Deployment
- CNMC: Connect New Mexico Council
- DOT: Department of Transportation
- FAST: Fixing America's Surface Transportation Act
- LFC: Legislative Finance Committee
- MOU: Memorandum of Understanding
- NM: New Mexico
- NTIA: National Telecommunications and Information Administration
- OBAE: Office of Broadband Access and Expansion
- ROW: Rights of Way

# OBAE Update- Building Momentum



- Following initiatives outlined in 3-year plan (submitted Jan 1, 2023) as OBAE roadmap
- Made all 12 federal deadlines for funding
- NM commended as a model of “doing their homework” on mapping & community engagement (approx. 175 community engagements)
- Six legislative bills passed
- Partnered with mapping and data analytics specialists required by federal level
- Allocated \$675M for BEAD with \$141M for high-cost areas
- Five-year plan on track for Aug & Digital Equity Plan + Initial Proposal in Dec
- Completing ARPA grants plus starting CNMC grant-making
- Met operating budget for very small office of 5 even though needed more; asking LFC for more headcount to handle \$2B in funding
- Building strong team - Statewide Education Network Broadband team now part of OBAE through MOU
- Providing technical assistance to 71 projects of worth \$721M

# Connect New Mexico Fund Request

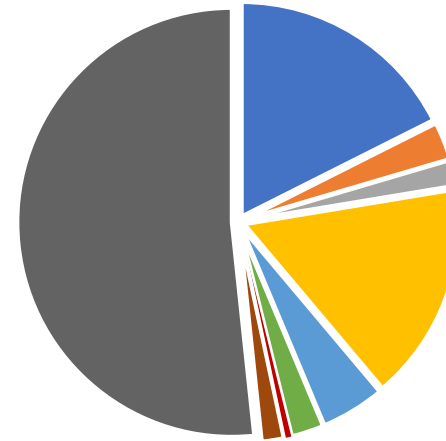
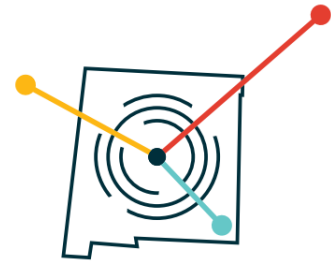


Source	Dollar Amount
Total Cost to build Broadband infrastructure (Midpt of 2.5B to 5.5B)	\$ 4,100,000,000
\$ Won so far in NM for Infrastructure (not counting Digital Equity or loans)	\$ (721,000,000)
ARPA Funds for Broadband	\$ (117,000,000)
Additional Tribal TBCP Phase 2 expected	\$ (80,000,000)
NTIA BEAD funding	\$ (675,372,312)
25% match for ARPA and BEAD	\$ (198,093,078)
CNMC fund	\$ (100,000,000)
State middle mile fund	\$ (22,000,000)
Miscellaneous funds (GEER2, EANS, SEN, libraries etc) over 6 years	\$ (68,000,000)
State or other sources of investment needed	\$ 2,118,534,610
CNMC fund per 6 years	\$ 353,089,102

**CNMC yearly fund could cover 50% shortfall to bring Internet For All**

# Connect New Mexico Permanent Fund Request

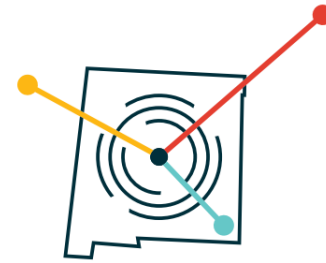
\$4 billion estimated needed to build infrastructure in NM



- \$ Won so far in NM for Infrastructure (not counting Digital Equity or loans)
- ARPA Funds for Broadband
- Additional Tribal TBCP Phase 2 expected
- NTIA BEAD funding
- 25% match for ARPA and BEAD
- CNMC fund
- State middle mile fund
- Miscellaneous funds (GEER2, EANS, SEN, libraries etc) over 6 years
- State or other sources of investment needed

Half Allocated, Half to Go

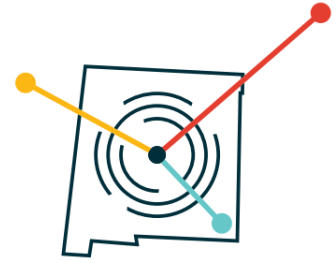
# Allocation of CNMC Fund per year



Item	Infrastructure	Estimate in Millions	Basis of Estimate
1	Funding for conduit and/or backbone/backhaul unshielded fiber (288 strands) for DIG Once projects	\$ 14	363 miles per year
2	Extension of Statewide Education Network and DataCenter framework	\$ 10	Per recent SEN contracts
3	Middle Mile	\$ 26	Per Finley report \$155M
4	Last mile	\$ 230	Per CTC report
5	Telehealth , Courts, Correction Facilities connectivity upgrades	\$ 3	
6	Matching funds for grants	\$ 10	For those who can't afford
7	Funding assistance for grant writing	\$ 1	Allows 25 grants at 50k each
8	Network operations/security operations	\$ 2	Per SEN contract
9	5G and Towers	\$ 40	\$240M over six years
10	Affordability Connectivity Program/Connecting students in their homes (Yazzie Martinez)	\$ 5	Subsidy for internet service
11	Startup and/or Sustaining Operations	\$ 10	Estimate for 10 projects
12	Workforce Development	\$ 2	\$3,500.00 tuition per student per SFCC (571 students)
<b>Total</b>		<b>\$ 353</b>	

Covers broadband infrastructure AND sustainability; more flexible than federal funds

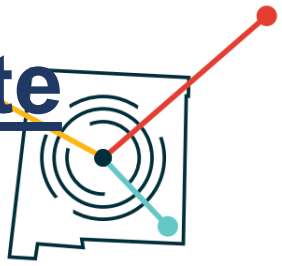
# DOT Partnership and Close Coordination



- “Dig Once” is great opportunity to leverage NM DOT new road builds during design for Broadband infrastructure
- Three examples of projects and costs:
  - US-285 Tres Piedras Roadway Improvements -- 9 miles. Helps tie into two electric co-ops, one carrier network, and a path to Colorado via some of the small providers on the border -- \$645,000 for conduit and fiber (\$11.30/ft)
  - NM-41 Road Reconstruction, Phase III -- 6 miles. Helps bridge between Lamy and rural areas. (Lamy is on the North-South long-haul fiber in the state) -- \$395,000
  - I-25 Pavement Rehabilitation north of Socorro -- 10.1 miles. Builds one stretch of the I-25 corridor. May aid Socorro School District's build from Lemitar to San Antonio. -- \$725,000
  - Requires close coordination between OBAE/DOT and conduit/fiber on hand
  - Minimizes disruption and reduces costs
- Broadband needed for Electric Vehicle Charging Stns – strong collaboration with DOT needed
- Mapping – need to be connected at the hip on GIS and need field engineers to validate locations
- Plans to explore emulation of Utah DOT who has a Broadband and DOT asset swap portal
  - Assets such as dark fiber, capacity, hand holds, towers, ROWs, permits, easements, poles can be traded with no money exchanging hands
  - For a close collaboration and partnerships with the Private Industry

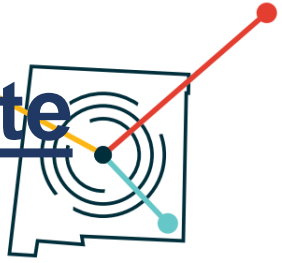


# Candidate Legislation to Ease ROWs and Coordinate with DOT



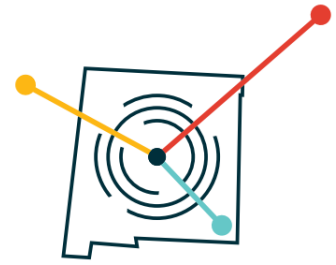
1. Extend existing electric easements to broadband infrastructure (while accounting for land-owners concerns) – like SB 360 from 2021
2. Eliminate or extensively simplify the environmental and cultural studies for all previously disturbed utility corridors (including roads) – **for example:** There are components of the Environmental studies/cultural studies that are common statewide for certain entities (such as the BLM, Forest Service...). Implement a region-wide or statewide blanket environmental/cultural study for all the components that can be done ahead of time (leaving only minor/local studies to be conducted on a case-by-case approach).
3. Establish a cost-sharing model for utility pole attachments - to serve as a template for all other utility poles owners. Several states have done this (for example Michigan).

# Candidate Legislation to Ease ROWs and Coordinate with DOT (cont.)



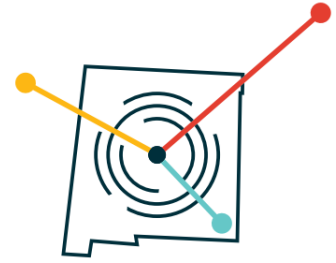
4. Establish a utility poles replacement fund and a dispute resolution group (with knowledge and expertise in the area of PROP (see CNMC fund ask).
5. Edit Small Cell Tower bill to include the state (Not just county and city) – HB 038 (2018); FROM: E."authority" means a municipality or county; TO READ: E."authority" means a municipality, county or the State of NM; This includes the state of NM, which is really NM DOT, to allow for us to place Small Cell Poles in the Right of way under the jurisdiction of NM DOT
6. Encourage emerging technology that can “leap-frog” over ROW areas of concern
7. Complete rulemaking on HB 160 (2023)
8. Change Procurement code to give Broadband an exception to the 4 yrs: Section 13-1-98 – add Broadband to the exceptions
9. Clarify HB 262 (2023) and SB 452 (2023) Broadband equipment is OBAE ownership (vs DOIT)

# Other focus areas for influencing ROW federal level

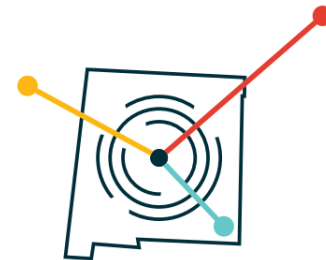


- Extend FAST-41\* process to all BEAD, USDA instead of to just large (\$200M) projects.. broadband infrastructure projects. Note: Tribal (already eligible for the FAST41 process - I would explain what FAST-41 Process is
- Fund increase in permit specialist personnel for all federal agencies involved in permits and ROWs.
- Revert funds (RDOF, USDA etc) to state that did not get tribal consultation and get formal concurrence to re-award to entities that received tribal concurrence
- \*FAST-41 coverage entitles project sponsors to a comprehensive, integrated Federal permitting timetable that is publicly posted on the Permitting Dashboard and which contains all Federal environmental reviews and authorizations needed to begin construction of the project.

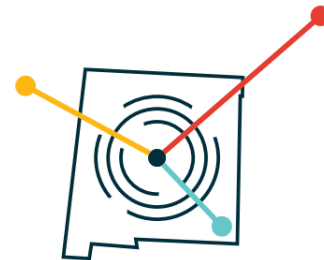
# Summary



- Please Support:
  - Increased OBAE operating budget for increased headcount
  - CNMC Fund as continuing fund over 6 years
  - Leveraging “Dig Once” with DOT for Broadband and ordering fiber and conduit
  - Emulating Utah DOT for swapping Broadband assets in NM to foster buildout and resiliency
  - Legislation to ease ROWs, easements, permits, and pole attachments



# Thanks for your partnership!



# Backup

# Risks that may drive Broadband costs higher than conservative estimate



- 48 to 1100 ROW, pole attachments, easements, permits needed per project – affects cycle time and \$
  - If One homeowner that says no or wants large sum can tank the whole project
- Tribal governments require signatures of descendants for tribal land crossed – dispersed population needs to be found
- Make ready costs for poles can exceed the cost of a project (example Socorro) and then rent still required
- Inflation in construction arena is 20% - some projects already won can't be finished within awarded budget
- High-cost rural areas can go as high as \$250K per home
- Supply chain issues cause impact to time and \$
- Some counties and tribes can not afford the match
- If NTIA award is lower than \$622M, then shortfall is greater