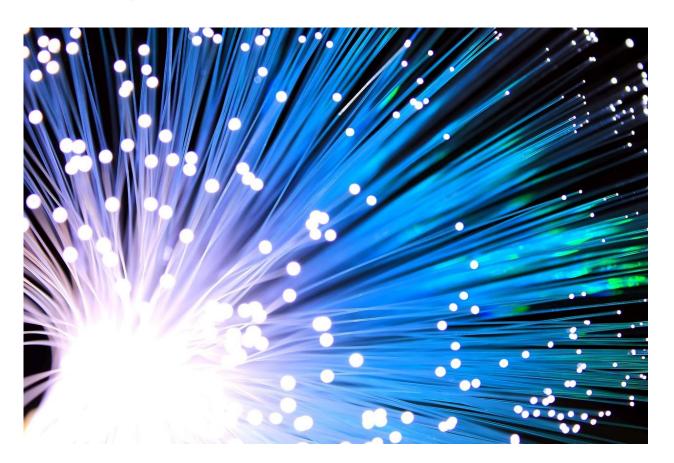




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November 7, 2023 / Volume 23 / Issue 20



## High-Speed Broadband? Not So Fast...

## By Todd Whalley, director of existing business and industry, St. Tammany Corporation

Fast fiber-optic internet not only helps an area to retain and expand local businesses, but also helps to attract new stakeholders with high-tech needs. The U.S. Department of Commerce's \$42.5-billion **Broadband Equity, Access, and Deployment (BEAD) Program** aims to expand high-speed internet access by funding planning, infrastructure deployment, and adoption programs to close digital divides across the country. A couple of years ago, my team at St. Tammany Corporation in Mandeville, Louisiana, embarked on a \$12-million fiber installation project that had 6,500 crossings but also many challenges.

While working on economic development projects and workforce issues, including BRE and hiring issues, we learned about a regional fiber service provider's interest in an installation project in our area. In June 2020, we reached out to the company through our BRE program <u>Advance St.</u> <u>Tammany</u>.

Over the next two years, we learned a few things that might be of interest to our peers in economic development, especially with hundreds of millions of dollars set to arrive in the 3,143 counties and hundreds of cities nationwide. As always, EDOs will need to be quick-learning experts to make deploying these federal broadband dollars in your community a smooth process.

## First, a how-to:

- After identifying the fiber installation project, plan to meet with the company's executive and operational staff to start to understand their timelines. The fiber team will be able to help evaluate and determine the scope of the project, targeted areas, and proposed schedule. They will likely also need assistance with hiring technicians and project managers.
- Break the project into manageable phases and put together a timeline for each area. Map each phase to confirm understanding and buy-in on next steps. Reach out to utilities for right-of-way discussions.
- Meet with each municipality to engage elected officials, public works employees, and utility partners. Discuss any insurance issues and communicate project timelines.
- Collect all permitting needs and local dig laws, and get franchise agreement term approval.
- Be prepared to answer questions and be available at night and on weekends to connect any feedback or issues from local officials or utility partners to the fiber company. Many installation issues can be solved quickly with quick communication.

## The fine print...

First, we had a direct conversation with the fiber company about their target market and what we hoped they would prioritize. We identified several underserved industrial areas and residential communities. When planning a project like this, an EDO project team can start with an old-school map and a checklist.

The fiber company will depend on the EDO to assist with permitting issues, identify political decision-makers, and help connect with municipalities. Understand and communicate the project context and utility history when setting up meetings with each local county and municipal authority. A utility "right-of-way" is often crowded, especially in underground locations. A higher number of carriers in the right-of-way may mean congestion in the physical location, and it also might not leave enough room for future infrastructure projects with emerging technology.

As economic development professionals, we need to be able to convene with our utility partners and earn their buy-in for a large project. Most likely, there hasn't been a large infrastructure project of this type and magnitude since the 1970s and 80s when cable companies installed coaxial connectivity. There will likely be issues with **unmarked utility lines** and questions surrounding who is liable in the event of an accident. The economic development team should have a frank discussion about utility partners' needs and expectations while introducing them directly to the fiber installation construction team. The process tends to run more smoothly when all parties have met, discussed these issues, and exchanged contact information—especially direct line and cell phone numbers.

As a profession, economic development practitioners need to be familiar with our local franchise agreements. These agreements have typically been negotiated by cable companies and have a certain percentage of total sales returned to the municipality if they are providing video services. High-speed fiber doesn't necessarily fall into that category, so be prepared to work out these differences. In some municipalities these terms haven't been revisited for decades.

Remember that these franchise agreements are major **financial transactions** for municipalities, and there is some debate on the revenue share specifics. While engaging elected officials and the public works team, the EDO should also be reaching out to and becoming familiar with the affected municipality's legal team. The earlier the city or county attorney gets to review and understand the agreement, the faster the approval.

Franchise agreements could be the third rail issue if discussions become a dispute over revenue and, in turn, room in the space in a right-of-way. Cooperation and buy-in are the most important factors locally. In our experience, we found that separate meetings with each municipality worked best to encourage collaboration and manage expectations and agreements.

The best way to get honest feedback is to meet individually with municipalities in smaller settings, which allows the fiber company to answer delicate questions. The fiber companies won't want to fight an extended political battle which could result in a smaller project scope or capital expenditure.

Clear communications with elected officials can avoid misunderstandings or prohibitively long approval processes. Delays are deadly for projects like this. Pressed for time, a company will likely simply bypass areas as they did in the railroad or interstate eras, resulting in businesses and residents not having a choice or option for their service in the future.

Finally, with other future road and bridge infrastructure projects, there is some confusion about who is going to pay for the relocation of existing fiber networks. When a right-of-way is moved with a project, the fiber company is responsible for relocation costs for the network. One company in Louisiana recently had to pay almost \$300,000 at their own expense after such a project.

Ultimately, our communities will benefit when we can better understand a fiber installation project's scope and efficiently establish two-way communication with the different municipalities concerning their respective rights-of-way regulations, permitting procedures, and local dig laws.

"The staff at St. Tammany Corporation have been the perfect conduit between our company and St. Tammany Parish leaders," said the fiber company's director of operations in Louisiana. "They have enabled us to work directly with both parish and city leadership to best serve the residents and businesses of St. Tammany."