From: Chris Mazzarella (CIO)

**Sent:** Tuesday, June 18, 2024 9:36 AM

**To:** Chris Mazzarella (CIO); Jennifer Toothaker

Cc: Roi Lusk

**Subject:** FTTP Tucson Initiative: Anticipated Meeting/Call - 6/26

## To all interested parties,

The City of Tucson is delighted by the number of providers seeking a means to deliver fiber broadband access to the residents and businesses in Tucson. Over the past year, we have explored numerous business models and means to achieve our objective of 100% fiber coverage to all premises, with heavy attention to ensure an equitable rollout to all homes.

At this time, the City does not intend to make a major investment in infrastructure and services for fiber internet, nor do we intend to take on an operations role or provide internet service directly. As a result, the role of the City will be that of enabler, driving a fair and equitable rollout for all interested parties. Arizona law prohibits exclusive agreements for telecommunication companies in the right-of-way. The anticipated model is introduction of the new license and a highly coordinated, large scale multi-year activity to enable a rapid, low-cost installation of underground fiber. We intend to facilitate right of way access, where the City has no upfront ownership stake, and capital investment in the system is the responsibility of the interested private parties.

The City is developing a new license to enable fiber / internet carriers to gain operating approval, and we have revisited our processes with the goal to streamline right of way (ROW) access. We are also pursuing means to add resources dedicated to right of way access management. Further, in the short term, we have brought on the Brennan Group and the Foresite Group to assist the City in its strategic and tactical broadband planning and engineering of our next generation network.

Here's what we've heard from you, and are using to drive our approach:

- Many costs are not technical or logistical, rather they involve time and delays for permitting, approvals, reviews, etc.
- A significant portion of costs for installation (dig, conduit, etc.) could be avoided through consolidation or shared expense models –potential for exploring & seeking ways to reduce total cost of investment together.
- You want to move fast to open to market as quickly as possible

There are a few fundamental areas our leadership has focused on to help you succeed:

- Equitable approach, timing, regulations and fees for all interested parties
- Improving review time efficiencies and minimizing unnecessary delays to streamline the process to enable full coverage throughout Tucson city limits
- Identifying funding partners, collaborative third parties, and other opportunities to leverage (such as Pima's middle mile ring and Tucson's IXP)
- Reducing efficiency challenges for labor and equipment

The City of Tucson has also identified its own core objectives in facilitating fiber deployment to every premises.

- Achieve 100% fiber optic coverage delivered equitably to all residents (with means for affordable last-mile connection & access).
- Minimize the number of pavement cuts to protect our investment in Tucson's streets

- Ensure that operations in our streets are performed safely while minimizing disruption to the travelling public, residents and businesses.
- Effectively coordinate fiber deployment with major public and private projects to avoid duplicative costs and scheduling delays.
- Connect and facilitate connections of City assets including facilities, signalized intersections, bus stops, and pedestrian crossings to the fiber optic network.
- Assist in design and architecture for private point-to-point secured city connections

We also have a number of challenges where we'll be seeking your collaboration and assistance to make this rollout successful:

- Assisting in minimizing traffic and neighborhood disruption, reducing same-street cuts and safeguarding our new Proposition 411 street improvements (presumably via utility excavation coordination and construction scheduling)
- Coordination of design & right-of-way construction schedule to achieve near 100% coverage AND equitable rollout to all residents starting day 1.
- Continuous feedback on opportunities to improve process efficiencies (delays, approvals, and coordination with external parties)
- Training of construction and contractor staff on City right of way construction processes and submittal requirements
- Quality control and coordination with City staff on submittals and right of way construction

Our next step will be an **open call / outbrief with all interested parties, tentatively scheduled for June 26, 9am-11am at Tucson Convention Center** to expand details further and identify opportunities to make this as effective and efficient as possible, for mutual success. If you have questions or points you'd like us to address, please email me this week and I'll do my best to answer them on the call as permitted by time, legal, and any other current restrictions. **Please watch for an email with details of that meeting within the next few days.** We look forward to sharing our updates and further discussions / Q&A calls after the session to discuss means to best achieve our objectives.

Thank you,

Chris Mazzarella
Chief Information Officer, City of Tucson

P.S. There have been several common questions which I'd like to address:

- Q: Can we avoid trench / bore and use aerial /microtrench / laser / etc.?
- A: The City's expectation is the final product will be near 100% underground through standard bore and trenching. Microtrenching may be considered as a stopgap means in rare instances on local streets, where Transportation & Mobility will be replacing the roads (at which time a conduit and trenching is expected to be run). Aerial or directed microwave/laser systems may only be considered in those very sparsely populated regions where install costs are extremely high (e.g. rock boring) and the resident areas are not below the poverty level.
- Q: Why is it taking so long to get approvals / means to begin work?
- A: The first 6 months of this activity were spent on research, exploring models, our objectives, and the best means to attain the desired outcomes for our citizens and businesses. We initially anticipated being able to award a single contract, however this appears not to be viable given our current financial constraints. The design of an alternate model which achieves our coverage, quality, and equity goals while ensuring a fair and equitable process for the growing number of interested parties required significant work from the small initial group assigned to this effort. We also recognize a need to expand the team, to enable some staff to focus on this effort full time (to date this has been a part time assignment for a few staff).

- Q: Is the City interested in a city-wide WiFi service?
- A: While the County is doing tremendous work connecting groups with Connect Pima and helping with digital literacy and digital equity, this is out of scope for a city offering. We would see value as a consumer of such services in support of our future Smart City initiatives.
- Q: How soon will the new licenses be available for issuance? What work is still outstanding?
- A: We are still revising the planned streamlined process and staff required to achieve it. This will in turn help us
  finalize the terms, pricing, and details for the licenses. We'd roughly estimate 4-5 months for the license to be
  finalized and ready for issuance, depending on how quickly we can confirm a successful design for our operating
  model.

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