

MR. SEIFERT: -- possible today, including the staff here at this beautiful conference center, who on short notice were able to accommodate us. I attended the meeting last night in -- in Las Vegas Scott Overton. Scott is with -- a city council member with the City of Flagstaff, and Scott will give us all a welcome to this beautiful City of Flagstaff.

MR. OVERTON: Good afternoon. Welcome to the City of Flagstaff. This is an opportunity to provide insight.

Of course, I'd like to thank Secretary of Agriculture Vilsack, representatives from the U.S. Department of Agriculture, Agriculture, Federal Communication Commission, the Department of Commerce, National Telecommunications and Information Administration, the Department of Education, Northern Arizona University, the City of Sedona, the Hopi Tribe, the City of Flagstaff, the Navajo Nation, Arizona Board of Regents, Coconino County, the Arizona Department of Commerce, the Town of Clarkdale, and the Northern Arizona Council of Governments. Please give a round of applause to those folks for joining us this evening.

[APPLAUSE].

MR. OVERTON: Again, on behalf of the Mayor's Office and the City Council, welcome to the City of Flagstaff. With your opening remarks this evening, I'd like to turn the microphone and the podium over to Ms. Sara Presler, our Honorable Mayor of the City of Flagstaff.

[APPLAUSE].

MAYOR PRESLER: Well, good afternoon, and welcome to the City of Flagstaff. As mayor, I warmly welcome you here, and I'm so glad that you've chosen to join us today to address the American Recovery and Reinvestment Act of 2009's broadband initiative and priorities for rural communities like ours.

Rural communities across the nation, like Flagstaff, Arizona, are grateful for the opportunity to comment on the most effective way for the USDA to provide grants and loans for broadband systems. Congress authorized 2.5 billion to the USDA and 4.7 billion to the Department of Commerce for broadband access. Accelerating the availability of broadband in unserved and under-served areas will create jobs and will result in strong economic activity.

Broadband is essential to the economy, health, and education of Northern Arizona. Through examples that we will provide today, we can demonstrate for example that Flagstaff's ability to benefit the State of Arizona will in turn benefit the United States of America, and in turn, the world. Flagstaff, Arizona is located at the intersection of I-17 and I-40 and it's the largest city in Northern Arizona.

The city is also the regional center and county seat for Coconino County, which is the second-largest county in the 48 states. Over 50,000 people reside in Flagstaff year-round, and the city is about 64 square miles. Serving and protecting vulnerable populations is essential, especially, for example, in our congressional district. Represented by our newly-elected Congresswoman Ann Kirkpatrick, we face the challenge that one-third of our congressional district is without power.

Public health, public safety, and clean energy are three key areas that rural communities like Flagstaff could benefit from this significant broadband initiative. Thank you to the Secretary of Agriculture, the Secretary of Commerce, and

most importantly to the President of the United States of America, President Barrack Obama, for allowing us here in Flagstaff and Greater Arizona, but more importantly allowing rural communities across America, the opportunity to have their voice heard and to be at the table. Today, we'll hear from three different panels that will be moderated by guests here in the City of Flagstaff. We're glad that all of you are here, and I'm thankful that it's not just the City of Flagstaff, but we're here today in partnership with many others. Councilman Scott Overton mentioned a few of those, and I want to just point out how grateful I am to the Navajo Nation, the Hopi Nation, the Hualapai, and to others in our community who have joined us here in the City of Flagstaff.

Thank you to fellow city and city council members for joining us. Thank you to the private business community. I look out and see fantastic business leaders and members from the private community, as well. And thank you to our county representatives and county supervisors.

I am most impressed with our ability to partner here in Northern and Greater Arizona. Rural

communities like Flagstaff have great potential, because we know what it means to have to work with limited resources. We know how to get things done, because we know what it means to have to work together. We enjoy working together, we're proud of our communities, and we know the great potential that lies within.

So welcome to the City of Flagstaff. We're glad you're here. It's an honor to serve as your mayor here in the City of Flagstaff, and I think we're going to have a fantastic afternoon and evening. And I welcome you to the City of Flagstaff on behalf of the Department of Commerce, the Department of Agriculture, the United States Government, and City of Flagstaff.

Thank you.
[APPLAUSE]

MR. SEIFERT: Thank you, Sara. We're very excited to be here. My name is Mark Seifert. I'm a senior advisor to the assistant secretary of the Department of Commerce. And I bring you greetings from that land far away we call the District of Columbia. I am joined today by Dave Villano. Now, I'm with NTIA, so that's the Department of Commerce, and Dave is with RUS,

which is in the Department of Agriculture.

And this represents, I think, exciting change about the way this administration is approaching rural, and under-served, and un-served areas, as far as broadband. In the past, we tended to silo ourselves, and we'd all run off and do our own things, and not really talk to each other. And under this administration's very strong guidance and leadership, we've been working together because broadband -- if there's one thing broadband doesn't understand, it's borders.

And so, we're very excited to be working together. I'm going to do the first and the third panel, and Dave is going to do the second panel. This is the second of our two field hearings. The first we had last night in Las Vegas. Great deal of fun, a great deal of information, and so I'm excited to be back in Flagstaff after 22 years. It's grown a little bit since the last time I was here. It's still beautiful, but it has grown.

All right. So if my panel can move up -- if the first panel can move up to the stage, I'll start to introduce you so we can get on the panel. So Mayor Sara Presler needs no more introduction

than she got. I think you are all fans of hers and we are also. Also in the panel is Fred Estrella. He's the CIO of Northern Arizona University. And then, panel, just because this will make it easier for streaming, I'm going to call you in order, so go ahead and sit in order, and then that way our guests who are joining us via the web broadcast won't be confused when Fred's name comes up under Sara's face. So we're going to try to keep you in order.

So Fred, prior to assuming the duties of Northern Arizona University's first full time chief information officer, he enjoyed a successful 28-year career in the U.S. Army Signal Corps. He earned a Bachelor of Science degree from West Point, where my niece is going to graduate this year, so we're very proud. He has two master's degrees; one a Master of Science and Electrical Engineering from Colorado-Boulder, and the other a Master of Science and National Security Strategy from the National War College.

To Fred's left, I guess I should tell you this, Maureen Jackson? Is Maureen with us? Excellent.

Thank you for joining us. Maureen is the information technology director for Coconino

County, Arizona. Coconino County is the second-largest county in the United States, and the largest in Arizona, but it's one of the most sparsely populated.

Recent technology and infrastructure projects under Maureen's direction have focused on providing 911 services to remote locations in vulnerable populations, and I think you're going to provide us some really good information about those types of challenges for the rest of the country.

Next is Loris Ann Taylor, the executive director of Native Public Media. Welcome. Loris Ann Taylor is -- is the executive director of Native Public Media, representing the media interests of Native America through radio, journalism, alternative technology, and platforms in public policy. And Lori (sic) is from the Hopi Tribe. So welcome, very much.

Next is Jose Matanane, who is the general manager of Fort Mohave Telephone Company. Thank you. I -- this is very fun. I have no idea if people are actually going to walk up. So --

[LAUGHTER]

MR. SEIFERT: -- it's kind of a very -- it's kind

of a good guess for me. He has held the position of general manager to Fort Mohave Telecommunications and Television for 12 years. While serving as general manager, he also serves as co-chair of the National Tribal Telecommunications Association and is the past president for Arizona-New Mexico Telecommunications Association. So thank you for joining us.

Next is Gary Uhles, who is the assistant general manager of San Carlos Apache Telecommunications Utility. Gary has 30 years of experience in telecommunications working with rural telcos and tribal telcos on reservation lands. He's work with and for several trade associations and telephone companies to build out networks that are needed to handle today's requirements and to prepare for the future.

Next we have Carroll Onsaie, who's the general manager of Hopi Telecommunications. Carroll is a member of Hopi Tribe and comes from the Village of Hotevilla. Mr. Onsaie has worked in public education for 20 years in the field of human resources. He joined the staff of the Hopi Tribe Chairman in 2001, where he worked on numerous

governmental, community, and economic development projects.

Next we have Rosalyn Boxer of the Arizona Department of Commerce. She's the workforce policy director and also handles special projects. With business training grants from the Department of Agriculture, she worked on projects where businesses were told how to effectively leverage the internet as a business growth tool. From the lessons she learned through these projects, she's helped develop the Arizona Broadband Connectivity, or ABC, Community Model, and this model has been used as a case study by Cambridge University, focusing on public and private partnerships. It's always nice to teach the Brits a few things about how -- the way things work.

Okay. So this is our first panel, and the panel's task tonight is to talk to us about three separate things, but these three things are very connected. So the first is reaching vulnerable populations, the second is driving demand, and the third is the role of strategic institutions. And these panels come to us because the -- Congress put in the statute that these were three

things we had to do with this money. So -- so that we're not here all night, I'm going to desperately attempt to keep you to some short opening statements so we can actually open it up to the public as quickly as possible. So if everybody could take about two minutes, I know you can start editing quickly, and then in your comments, you know, on questions, because I'm going to have you talk to each other.

And why don't we start with the mayor, who is very good at cutting her remarks to two minutes. I've seen her do it before, so Sara, I'll turn it over to you. And you can just stay there, and we'll just -- I think that'll save some time, too.

MAYOR PRESLER: Okay, very good.

MR. SEIFERT: Thank you.

MAYOR PRESLER: The -- is everyone able to hear me, or should I pull the microphone? Can everyone hear me better this way? Very good, thank you.

Well, the Secretary of Agriculture announced several projects for wild and fire protection this past week and the removal of hazardous fuels that will begin immediately. And here in

Flagstaff, where our city is nestled at the base of the sacred San Francisco Peaks and surrounded by one of the largest pine forests on earth, it's most important to us that we have healthy forests and healthy communities.

We know, in the words of the secretary, that President Obama is delivering on his promise to the American people to create jobs. And these private-sector jobs will increase forest restoration and decrease the size and intensity of wildland fires. Providing healthy forests puts men and women to work and makes our communities healthier and safer (sic) -- and safer.

We also know, related to business, that these initiatives are most important. For example, here in the City of Flagstaff, and serving all of rural Arizona, NACET, the Northern Arizona Center for Emerging Technologies, is a small business assistance program that's founded to help entrepreneurs and startups succeed in Northern Arizona. It offers hands-on consulting for high-tech, science, and renewable energy firms. There are lots of partnerships that go into this to make it a success -- council of governments,

universities, cities, and counties.

We know, for example, that the goals of the city and the goals of NACET are to increase the number of successful technology-based small companies and to promote and accelerate the transfer and commercialization of the technology industry through business development.

This broadband initiative is a demand in our community for green jobs. We know that broadband is essential to our economy in Flagstaff, and NACET is focused on technology-based companies, and broadband is essential to its mission. We also know that TGen North is in the City of Flagstaff, and the City of Flagstaff invested a couple-hundred thousand dollars in the investment of this startup lab.

Now, Dr. Paul Keim, who is the director of pathogens at TGen, and he's also an Endowed Chair in Microbiology in Flagstaff, is one of the nation's premier experts on anthrax.

Broadband is essential to national health and national security. It has not evolved for us here in the City of Flagstaff and in rural communities. For example, where Dr. Keim needs to transfer data 120 miles away, threats to

national security and national health are at risk. It's faster for him to drive from Flagstaff, Arizona to Phoenix, Arizona, 120 miles, than it is for him to be able to transfer the data that may help us in the case of a major outbreak.

We also know that driving just across the City of Phoenix is also required from one lab to another. He acts as a backup at times to the CDC and handles major cases of influenza and cases of salmonel -- salmonella. We know that broadband is truly a rural and urban issue. We know that the excellent work at the lab must be supported by increased broadband in our community.

We also know for example with healthcare that the Hopi Health Center, located on the Hopi Reservation, serves 7,000 people from both the Hopi and Navajo Tribes. The center provides various medical care, and through the broadband and television communications it's established a relationship with Harvard Medical School, where patients and physicians can consult about Indian health issues and resolve challenging healthcare dilemmas.

The final point that I'd like to make relates to

renewable energy. As a third of our congressional district is without power, we know that energy -- such as solar and wind -- clean, healthy energy sources are essential to our economy. And broadband is a solution to the national greater other challenges.

How do you keep medicines fresh? And how do you keep fresh fruits and vegetables in a diabetic home where there is no power? We can do it through renewable energy and broadband.

Companies are able, with today's technology, to take broadband, and that internet connection, and that connectivity, work it to a wind turbine, work it to a solar panel, and power communities that have not yet, in all of the time we've been in the United States of America, all of us in the United States of America, both tribal and nontribal, have an opportunity to see power.

It's not only our responsibility to bring power to vulnerable populations; it's our ethical duty to do so.

So I am very grateful to be here on behalf of the City of Flagstaff and to be here in partnership with all of you here today, so through healthcare, through healthy forests, through

small business development, and through renewable energy, there is tremendous potential for broadband in our community. And I welcome you to the conversation, and I'm glad that everyone is here. Thank you.

MR. SEIFERT: Thank you. Go ahead.

MR. ESTRELLA: Good afternoon. I'm Fred Estrella, the CIO for Northern Arizona University. One of the primary purposes of the broadband program is to provide access to educational resources. In today's changing economy, it is more important than ever that we provide online educational opportunities to the un-served and under-served rural areas, to help train or retrain for new jobs.

Many potential students throughout rural Arizona seeking higher education courses are forced to attend classes at colleges or university campuses at specific times and places, because they don't have broadband access to their homes. Taking courses online at home would save students money and time, as well as the flexibility to do the coursework when they have free time.

The opportunity to take online courses would also make higher education available to more Arizona

citizens who have jobs and families which may restrict them from attending a traditional on-campus class. This important idea of anytime and anywhere access to educational resources for all Americans in the comforts of their homes, including those in rural areas, should definitely be an outcome of this new broadband initiative. Northern Arizona has been a leader at providing distance learning options throughout Arizona for many years. Today NAU offers hundreds of courses online. These courses feed over 60 undergraduate, graduate, and certificate programs which are totally available online. During this academic year, thousands of students are taking advantage of these online courses and programs. With affordable broadband access in rural areas, more Arizona residents will be able to take advantage of NAU's online offerings, as well as those offerings from community colleges and other Arizona universities.

Why is broadband necessary for these online courses, you might ask? High bandwidth is necessary, because many of the online courses are enhanced with rich media, such as video, which can only be viewed properly with high-speed

(sic) -- high-speed broadband connections.

Student learning can be made more enjoyable and fulfilling through such course content. Many

supplemental learning materials are also

available via the internet, which normally

requires broadband access for proper viewing.

Although I have talked primarily about higher

education, there is a great opportunity for K

through 12 students to benefit from home

computers with high-speed access and the

internet. Computer literacy is a must in today's

economy, and the earlier we can expose children

to -- to computers and the internet at home, the

better off our K-12 students will perform.

Besides getting broadband out to the rural areas,

other factors must be considered. One is

affordability. Many rural Arizonans will be

hard-pressed to pay high prices for broadband

access, so cost must be kept to a bare minimum.

Another is computing devices for rural users.

Some house -- households may not have computers

and would need to purchase low-cost devices to

gain access. Lastly is training and support of

the novice computer user. There needs to be

local resources to help train and help users

overcome the pitfalls of using computers and accessing the internet.

In closing, the Broadband Technology Opportunities Program will hopefully provide affordable, high-speed access to the un-served and under-served rural citizens throughout Arizona and the United States. This broadband access will offer rural Americans the opportunity to educate themselves and their children in ways that they are not available today. Thank you.

MR. SEIFERT: Thank you, Fred. Maureen?

MS. JACKSON: Hi. I think that a lot of you know that in government the bottom line is usually the county, and that's where I'm at. So, you know, we really are the people that kind of fill in the blanks. So we provide the service that are basic services, and we work with the other people that are either volunteer groups, or there might be the Indian Nations, but we work where you have pods of services, and we're always trying to connect those.

I think a real issue here in Northern Arizona is that in -- when we were doing infrastructure development in the states, we weren't there. So, you know, we haven't done a lot for about ten

years in the U.S. So we're behind the curve all over the country, but if you never got started, you're decades behind, and that's where Coconino County is.

We have 18,000 square miles. My staff does things, like we provide the data for the GIS data that serves the dispatch units for fire and police, search and rescue. If you get lost at the Grand Canyon, it's our data that helps the officers find you.

So quite often, what we are trying to do is get critical information out to people in the field, and we don't have the infrastructure to do that. We also don't have the devices. You know, people that are out climbing mountains and stuff can't take a laptop with them sometimes. We have people that carry multiple cell phones, because the coverage, you know, doesn't -- they've got to go to multiple vendors to be able to have coverage when they're driving. We have places on the reservation, a large number of places, with no electricity.

Something that's significant is the former Bennett Freeze, that's entirely within Coconino County. If you're familiar with that, the

federal government limited development in that area for quite some time. They've been allowed to go home. They have no electricity, they have no rugs, they have no phones. They have kids that need to go to school. They're trying to develop their economy.

So we have really -- we have areas where it's going to take us awhile to get the infrastructure there. We're working on 911 service. One of the things we have to do is, like, what's the address of the place you're going to and how do you get into it? So when the guy drives out there, because somebody called 911, because they're having a heart attack, how do you get them in to the location?

So I think one thing we need to do is look at trying to bring infrastructure to common community places, and that would be your community centers on the Indian Nations, it would be the chapter houses, it would be your fire stations, your libraries. I mean, many of these places depend on if they got a wire, they got DSL, or they're using satellite, or they have nothing.

When I go out to public meetings, what I hear

from people commonly is, "Well, how are they going to get these services?" If they had them -- we have kids that drive, like, 65 miles to school. So, you know, they've got to go that far to get there, and then they've got to get home. And they don't have a PC to do their homework.

So, you know, before we can get to all these homes, we're going to have to look at getting infrastructure to the central locations in community areas where the people could use it. Healthcare, we're trying to do some good things with healthcare, and we could do a lot more with technology. The Navajo have a service where they have tried to diagnose people using technologies, so they've got diagnostic equipment and telecommunication lines, and they've got a specialist out there, and the doctor at the hospital in Cuba City, and they're trying to figure out if the person needs to go to the hospital or not.

So, you know, we -- we just have many places where technology would be good, but I don't think we need a one-time thing. We need a program, and we need the jobs to come here, we need local

companies to build these services and support them. We need a regional plan, and we need to catch up with the rest of the people in USA.

MR. SEIFERT: Thank you. And again, this is not a criticism of past performances, but if the rest of our panel could edit, edit, edit, that'll get us to the meat of the program. I appreciate it. Thank you.

MS. TAYLOR: I'm going to talk to ten minutes.
[LAUGHTER].

MR. SEIFERT: There's a lot to be said, and I don't want to -- I don't want to undercut that, but there is a lot that needs to be said about this.

MS. TAYLOR: Native Public Media represents the interests of 33 Native Public radio stations and the 31 news stations that will be coming on air in the next few years. Native Public Media also represents today the National Federation of Community Broadcasters, and we're proud members of the Media Democracy Coalition.

Native Public Media promotes access to and ownership of all forms of media by Native communities. We are applying our experience in helping radio stations that serve tribal lands to

help Native Americans gain access to broadband and other new forms of media. Although Indian Country, much like rural America, is both culturally and geographically diverse. It has many common characteristics, including poor communication service. 68 percent of households on tribal lands lack basic telephone service. Broadband penetration is estimated to be less than 10 percent.

And as the FCC acknowledges, there is a lack of information about subscribership to internet access services by households on tribal lands. The need for broadband is great. Broadband communications are necessary to media inclusion, to education, the delivery of health services, and a litany of other services that Maureen so vividly described.

Currently, 5 of our 33 stations are able to stream, and about one-third of our stations have no access to broadband. And in this day of migration to the internet for political and electoral participation, we have to ask ourselves: Who -- whose democracy is it when there are so many people that are left out? In this convergence environment of voice data and

video, broadband access is extremely critical to the capacity of Native stations. So by any standards likely to be adopted, Indian Country is un-served and under-served. In most parts of Indian Country, there is no broadband service at all. Where services exist, the quality of service is often poor. Because the areas to be served are often large rural areas, the cost of service is high.

Adoption rates even where service exists are low. When I was general manager at KUYI Hopi Radio, our dial-up costs averaged \$300 per month. In an environment where unemployment is 30 to 50 percent, download was around 20 minutes. High broadband links issues remain prevalent throughout Indian Country and are counterproductive to economic development and its long-term sustainability in today's global economy.

On the Hopi Reservation, we have a superb number of artisans who want to engage in an internet-based economic enterprise, but upload make that impossible, and there are producers throughout this country who -- who experience the same thing. Symmetric and full-duplex speeds will

therefore be critical to the success of broadband stimulus deployment in Indian Country.

I also want to say that Native Public Media supports neutrality policies that favor the public interest, the protection of free speech, economic innovation and creativity, and participation by citizens in a democratic process through the internet, the prevention of any potential discrimination against web content based on source, ownership, or destination, and the prevention of pay-to-play internet tolls on any wired or wireless network systems, and the creation of internet education and literacy programs.

The GAO Report of 2006 supports the need for broadband service on tribal lands in a unique and compelling way. What it basically said is that over the past ten years nothing much has changed. To assure that the needs of tribes are adequately addressed, we urge NTIA and RUS to adopt a policy of consulting with tribes that parallels the policy of consulting with the states. That policy is consistent with the government-to-government trust relationship the federal government has with tribes, and it is necessary

to assure that the broadband systems that are built with federal funds will actually serve tribal needs.

In the exercise of modern self-determination, tribes are responsible for the health, safety, and welfare of their citizens and one critical test of the current program is whether it brings new, much-needed broadband service to tribal lands. Thank you.

MR. SEIFERT: Thank you so much.

MR. MATANANE: Good afternoon. Again, my name is Jose Matanane. I am the co-chair for National Tribal Telecommunications Association. It's a membership that consists of eight tribally-owned telcos. Six of the tribal telcos reside here in Arizona.

And I speak from the platform for the concern for voice dial tone and broadband in the Indian Country. NTTA, in the recent farm bill amendments, expanded the Department of Agriculture's Rural Utility Service authority to provide 2 percent loans to tribal governments for infrastructure, and that encumbers water, power, sewer, and telecommunications.

So as we -- that provision, we refer to it as the

SUDA Provision. The un-served is discretionary, though, so we need to identify that term. Also, we are a Title II borrower for Fort Mojave Telecommunications. We are the Carrier of Last Resort, but I can tell you that the benefits of infrastructure and broadband and voice dial tone to the Fort Mojave Indian Reservation is a tremendous -- one time, we had to -- we have these same stories as the other tribes that we had -- the penetration rate was below the national average, or just under-served was 38 percent and the unemployment was 50 percent. Today, we can boast that our penetration rate is above the national average, around 98 percent, and unemployment is 1 percent. This infrastructure enticed business development, and -- and also we was able to meet the needs of communa -- communication needs for the Fort Mojave Indian Tribe.

One of the first things that the businesses asked us, if we could support them, you know, with communications, and today, Fort Mojave has one of the first gas-fired power plants in Indian Country, the Calpine Corporation, a 580-megawatt facility there. And also, it supports -- employs

about 3,500 jobs there in Fort Mojave. The labor force for the tribe is probably about 500, so it's tribal and nontribal. Also, it contributes up to \$30 billion to the economy.

So I just convey those -- those things and highlights those things that we're excited, you know, we're doing it there for the Mojave Indian Tribe in the tri-state area, and that resides in Nevada, Arizona, and California.

MR. SEIFERT: Thank you very much.

MR. UHLES: Hello, my name is Gary Uhles. I am part of the San Carlos Apache Telecommunications. Also, we are the -- we are also a CLEC in the telecom business. We just became CLEC in the -- in the state, and as Jose mentioned, we're one of the eight Native American telcos in the United States that provide services.

What our goal on this next venture is to reach out beyond the reservation boundaries with our broadband facilities and bring that fiber facilities to the outlying communities of the State of Arizona. We are working in conjunction with not only the power companies that are part of this stimulus package, we're working with the local cable TV systems, because as most everyone

that is in this room that is aware of the networks that the telephone companies put together, they're pretty much just localized. Our broadband, you know, the -- the -- the old saying was "if it touched, it talked?" That's not true anymore. We have to increase the equipment capabilities to make the fiber networks that we've laid to date and install the equipment to expand that network beyond the boundaries of the reservation.

And our expectations are to within the next year to have that task taken care of for -- from the -- from the City of -- from Phoenix through our reservation 100 miles to the east, and back into Tucson, encompassing, you know, roughly 250 miles of un-served and under-served territory in the State of Arizona.

MR. ONSAE: Good afternoon. Again, my name is -- (clears throat) excuse me. Again, my name is Carroll Onsaе.

I'm the president and general manager for Hopi Telecommunications, Incorporated, HTI. HTI is wholly-owned by the Hopi Tribe. The company was established back in April 9th of 2004. And we bought assets from the previous telephone

carrier, and we started our operations on June 1st of 2006. So we are a fairly new telecommunications company on the reservation. We serve on the Hopi Reservation, which is located about 90 miles northeast of here, Flagstaff.

The basic -- the primary mission for HTI is to provide quality, reliable, and more importantly, affordable telecommunications services. And to do this, HTI has engaged -- is engaged in provide -- in building out and upgrading its telecommunications infrastructure, where feasible, by replacing copper with fiber optics cables and extending telephone services to our customers.

However, to provide fiber to every home is very costly. To provide affordable communication services is a major challenge in today's national, global, and more importantly, the Hopi. The reservation economy is in dire straits. To offer these services at prices that are our customers can -- can afford is a real challenge. Our service area covers a wide area. The information I found, the reservation consists of about 1.5 million acres currently as un-served

and under-served areas. For example, my bio re -
- I -- I come from the Village of Hotevilla.
Hotevilla is partially served, and they do want
telecommunications services. Other communities,
such as Spider Mound and other areas on the
reservation within the village boundaries simply
do not have lines where they can connect to
telecommunications services. To build new and
extend infrastructure requires capital. As a new
company, our current level of resources limits
these desired expansions.

We know today technology is a major driving force
in our society. It's happening here in
Flagstaff, and the reservation is no exception.
With the increasing knowledge and -- of
technology, there is increasing demand. We --
our system, if -- for those of you who are
familiar with, you know, telecommunications
technology, our system is partially operated by
way of microwave radio systems. With the
increase in demand for more bandwidth, we
anticipate bottlenecks.

In order to combat that challenge, we have to
look elsewhere as far as technology is concerned,
and we have found that fiber is the way to go.

But this is -- this building of new infrastructure again is -- requires more money. Higher speeds equals higher costs. For example, fiber optics is the desired technology for us to provide more bandwidth. We have an OC-3 radio right now to transport our voice and data back to Flagstaff. If we were to install fiber optics cable all the way, which connects us to the outside world, a fiber cable would be equivalent to about 16 OC-3 radios. And if we were only going to expand and improve on our radio systems, that is going to be cost prohibitive.

So looking at these new technological advances that are occurring and the opportunities that are coming down, we really need to take a close look at where we can capture these opportunities. As a telecommunications company regulated by the FCC, we need to keep in mind that we need to protect what we have -- our investments, for example. We draw down loans from the RUS and to build out our infrastructure, so we need to make sure that these investments are protected.

We desire quality service with these -- with these new opportunities coming down. We need to

ensure that quality standards are implemented and maintained. And for those of you again who are in the telecom business, we must protect the cost recovery mechanisms. In this -- in this approach, new companies such as HTI will have a better chance of becoming successful, and more importantly, to provide the quality, reliable, and more importantly, affordable telecommunications services to its customers. Thank you.

MR. SEIFERT: So please, please, please, please, please, please.

[LAUGHTER].

MS. BOXER: Good afternoon. My name is Rosalyn Boxer. I'm with the Arizona Department of Commerce. And most of what I'm going to say most of the people out here already know, so I'm going to say it, anyway.

MR. SEIFERT: Quickly.

[LAUGHTER].

MS. BOXER: Quickly. If you are a business in a rural area, or a business in some cases anyplace, you can certainly drill a well and get water if you don't have it, you can certainly pave a road in order to have a -- a road come to your

business, and you can buy a generator for electricity. The one thing you can't do is connect to the internet. What you have is you have to go through a provider in order to do that.

The state and local government needs to make sure that all citizens and all businesses have access to this very, very valuable, and future, and now, and present utility. And it should be seen as water, electricity, roads, and the internet. It needs to be part of that whole package that a business and that the citizens in the U.S. have for their use.

The state sees that broadband is, in fact, a very necessary economic driver. This economic driver doesn't necessarily mean that you're going to get this just because you have high-speed internet at your business, but it certainly means that without it you're going to lose business.

The U.S. is 11th in the percent of adults who purchase goods off of the -- off the internet. That is 30 percent of the market share. So if you're not available to -- if you're not -- don't have availability to high-speed internet at your business, you have lost that market share, and

that's significant.

Businesses today are competing on the local market -- on the global market. They're no longer just in their communities no matter where the business is. Even in a small rural community, one of the things that businesses have to do is they have to understand what this new tool can do for their business, and in many cases businesses do not -- especially in rural areas -- have that understanding and that education, and they need to have that training. That's imperative in order to drive the demand.

People who live in the Phoenix -- greater Phoenix area, and the Tucson area, and in Flagstaff in some cases take for granted things that they don't know are not available to those communities that are not in those large metropolitan areas. So if you are looking at this in a different way, and my other hat that I wear is a Workforce, if I'm looking at Workforce, this is imperative for the workforce. Anyone who wants to enter the workforce has to be educated in the use of the internet.

And the other option is of course the virtual office and telecommuting. That today is just

beginning to occur. We are going to see that is going to really burst open, and going to have people living wherever they want, because they have high-speed internet and can be connected to their business, wherever that may be.

One of the companies that I work with on a -- on a separate project is a company that is in Florida. And the people that I spoke to who belong to that company that I deal with directly live in small communities in Kansas. And they live at home and they talk to me from there.

I would love to be able to see that have -- be an opportunity for anyone who wants to live -- (clears throat) excuse me -- and come to Arizona, and work for any corporation anywhere in the world, and to be able to live in one of our communities. That would be the goal that I would see for the State of Arizona. Thank you.

MR. SEIFERT: Thank you so much. And so, I'm going to make an executive decision. We're going to do about -- we're going to go until about five after talking amongst the panel, and then we're going to turn it over to the public, because we've found that it's -- it's you folks actually that really make a difference in kind of making

us think and kind of pushing the panel to think of some of these issues.

So -- so this panel is about reaching vulnerable populations, about driving demand, and the role of strategic institutions. And I have say, what I'm hearing is from that great baseball movie, if you build, they will come.

It sounds pretty much that -- that there is so much need that you're not really worried about driving demand. Is that a fairly accurate assessment of the kind of general group of the panel? Do you agree with that? That if suddenly, poof, we had, you know, broadband everywhere, you wouldn't have to be wor -- you wouldn't be worried about getting people to take advantage of it?

MR. ESTRELLA: As long as it's affordable. I think that's a -- a key factor here, is getting it out is one thing, but making it affordable for the normal household to be able to pay for it and use it on a consistent basis.

MR. SEIFERT: Right. And --

MS. BOXER: And can I?

MR. SEIFERT: Go ahead. Sure, please. Yeah, jump in.

MS. BOXER: Okay.

MR. SEIFERT: Because I can't watch --

MS. BOXER: And also, I need to add training and education on how to use it, because be -- just because it's there doesn't necessarily mean people understand what they can do with it.

MR. SEIFERT: So we heard this last night from a woman that's working in San Francisco with vulnerable populations and immigrant populations. And she said one of the difficulties they've encountered is that parents who may not speak English as a first language are always worried about things tearing their families apart, you know, the language divide -- the kids do speak English and -- and the native language, and now this computer thing shows up in their house, and the kids know how to use it and they don't. And they don't understand it.

And that -- that they were working on ways to educate the parents to make sure they understood it. And they said, to your point about training and service that in many cases the kids would be on the internet, a virus would suddenly attack the computer, the computer would shut down, and this thing that they had put their very hard-

earned money into was this -- just now not much more than a paperweight, and that there wasn't -- there wasn't the necessary support to help them through those sorts of things.

So it seems to me that that's a lesson that we need to think about when we're looking at proposals, is if a proposal comes in that's going to be working toward meeting vulnerable populations, there needs to be -- not just put the wire in the ground or the wireless, but also the backup, the support, the training, and -- and that sort of thing, that we should look at that as a critical part of any proposal.

MAYOR PRESLER: You know, one of the comments that I wanted to provide is that I believe that our role as a strategic institution, as a municipality, for example, in rural communities is to grow leaders and jobs locally. And local jobs lead to a global marketplace and also meet the goals of the USDA for communities, business, and housing. For example, here in Flagstaff, in 1999 Aspen Communications was founded and resides in a HUBZone, which is a federally-designated zone accepting federal contracts.

And that HUBZone allows Aspen Communications,

which is a veteran-owned company and received many awards from the Department of Veterans Administration, to recently receive a \$15 billion award as a subcontractor of the GSA Alliant SBA contract, so that means local dollars and local jobs in our community.

We also know that Don Richardson, who started that company, is a graduate of Northern Arizona University. We also know that Southwest Windpower, the world's leader in small wind, is run by a graduate of Coconino High School. And so, growing jobs through local leaders and local communities means that we learn what it means because our parents have worked in those areas, in clean jobs and clean, good energy. It means we allow jobs to happen in Indian Country and we don't prevent them from happening, because they become part of the fabric of our lives and not necessarily this outside experience.

We -- we grow up with them, because the jobs are local and the dollars stay local. And so we don't just see the computer or the internet coming into our home; we see the ability for technology to lift up the economic health of a community, and that's what broadband I think can

do.

MR. SEIFERT: Okay. Let -- let's talk some more about strategic institutions, because Sara's talked about the -- the city, the, you know, the municipality being a strategic institution.

And it seems to me that if your tax dollars are building big open highways, what other strategic institutions do we need to ensure are participating, because it's been posited that the more strategic institutions you have combined on these proposals, the more likelihood for success, the more likelihood for financial success, right? You have more people buying in and contributing for ongoing costs. So what other strategic institutions do you think we should be looking at?

Because all of this is about evaluating proposals, right? We don't have enough money to pay for all the proposals, so we've got to put them up next to each other. You know, tell me what we should be looking for.

MS. JACKSON: Well, we keep focusing on getting the infrastructure to the home. What I think we need to recognize, this year we don't have the infrastructure for emergency responders,

healthcare, school. So, you know, folks here do not maybe realize that if we had a major event in Flagstaff, we only have one path from Flagstaff to Phoenix. If we're down, we're down.

We don't have any way to communicate with the rest of the world, so there needs to be first of all a look at: Do we even have the infrastructure to provide basic services? And, you know, it's not only getting to the home, but can you get to the hospital? Can the Sheriff's Office talk to somebody about something? So, I mean, I think we have a real issue with the infrastructure there. So all the -- the service provide --

MR. SEIFERT: Okay. So you've said emergency -- you said emergency providers, hospitals, schools --

MS. JACKSON: Service providers, healthcare providers, schools, emergency responders, police, fire, that type of stuff. So --

MR. SEIFERT: Okay. And so, given a limited pool of funds, we've all talked about getting to the home, and some of the studies have shown that when folks adopt it to home, that's -- that's -- that's really kind of the gold standard, but I don't -- I think it's fair to say we don't have

enough money even to do Arizona. Right? If we spent the entire 4.7, we couldn't get to the home given even Coconino County, right? You had such a large -- to -- to do fiber to the home is probably not a realistic expectation.

Which -- so that raises two questions for me.

What I haven't heard about is kind of a wireless broadband approach. And for those of you who are not really in the weeds on technology, we talk about putting big sticks up in the sky and sending out big waves of broadband.

And so, do you think for really sparse communities that that might be a way, if you have your middle mile and then you have some big sticks at the end of that middle mile, that sending out -- and this is the muni Wi-Fi concepts, those sorts of things. Is that a workable solution for places like Flagstaff and the surrounding tribal lands?

MR. ESTRELLA: Yes. I -- I totally agree with that concept. Because of the distances involved that we have to put up with, not only on the reservation but throughout a lot of other areas in Arizona, those distances -- it's just so cost-prohibitive to put fiber in the ground that a

wireless solution is definitely a good possibility of a technology that can help overcome the distance factors that we -- we have problems with in Arizona.

MR. SEIFERT: Okay. I just need to -- one note to my technical team. Cedric, I can see every single thing you're doing, so just FYI.

MS. TAYLOR: Can --

MR. SEIFERT: Go ahead, please do.

MS. TAYLOR: One of the things -- and I love what you just said, because one of the things that the State of Arizona, which I think needs to be a partner in all of this, has actually done is they've reached out to Pinal County. And in Pinal County, the county supervisors adopted the strategy that all of Pinal County was going to have high-speed broadband, all of the communities.

And so, what they've done is first responders, schools, businesses, residents. And what they are doing is looking at all of the technologies that are out there, and not just fiber, not just cable, but also wireless, and how can that all serve and interact? But that's the crucial thing is: can they all interact with one another in

order to create a ubiquitous process throughout the entire county?

And when you take that idea and you now multiply it from county to county, and you look at this in a broader sense, you look at all of the State of Arizona being able to do this, now if somebody is someplace out in a rural area, whoever, it may not be the county that they're in, it may be the neighboring county will be able to respond quickly, because of the connections that are being made through this wireless system that we can put -- that we can put together that is, by the way, has a very cost-effective ticket to it.

MR. SEIFERT: Okay. So let me res -- let me ask Carroll, what's your response? Because one of the things you were talking about was protecting investments that are already in the ground, and if suddenly there's this wireless broadband thing that's going up, how does -- how does -- what's your reaction to this?

MR. ONSAE: What -- what I want to say there is that -- I'm going to go back to your comment about making sure that there's support, you know, for -- for these projects when they're done. For example, if -- if a project is financed through a

grant, I mean, and, you know, these projects are well-worth projects.

I mean, I'm not, you know, saying that they are not or we all know what technology is and what it can do. I think a shortfall is that we often forget about, you know, what comes after, the operational costs that go into this. Once a -- a grant is exhausted, the -- the -- the facility is -- is built out, and it's up and running. Who maintains and who incurs costs to keep this -- to -- to keep these facilities going?

And I think if we can approach these projects in a -- in a more businesslike manner, producing forecasts, producing business plans, making sure that these ventures are profitable and can sustain themselves, I think would be a key factor to looking at proposals when -- when -- when they come.

MAYOR PRESLER: Can I offer a comment --

MR. SEIFERT: Sure, please do.

MAYOR PRESLER: -- for that?

MR. SEIFERT: This is the whole point.

MAYOR PRESLER: I think what -- what's been said there is very important, especially when it comes to the Reinvestment and Recovery Act, because the

American people are going to demand accountability. We're watching what's happening with AIG and the conversation on the national level there, and folks want to know that their dollars mean something.

So what that means is that when we're evaluating proposals, I think it's important that we evaluate partnerships with strategic institutions, number one. And number two, measurable outcomes. For example, we know that Northern Arizona University offers a master's degree in nursing with a focus on family nurse practitioners, rural health specialists, etcetera.

I want to see municipalities partnering with Indian Country, partnering with the university, to bring not only that educational opportunity, but then in turn that healthcare benefit as a measurable outcome. Second, I'd like to see, for example, us use broadband and wireless broadband to expand our potential for clean and renewable energies. Sun and wind are abundant in rural Arizona, and there is a great opportunity to bring power to struggling and under-served populations in our communities.

MR. SEIFERT: So -- so let me ask you about this. So one of the things about renewable energy is we have these wind farms, we -- we have solar, these different things. And one of the things I understand, the problem is getting the energy back, right? It's the transport of -- if you've got a wind farm out in the middle of nowhere, which, you know, somebody will allow you to do, because then they don't have to look at it. Right? That's one of those kind of traditional problems?

You still have to get the energy back. And one of the things that the administration has been talking about is coordinating these types of projects. If you are using stimulus dollars to build, you know, renewable energy source, and you're trenching for the transport line for the energy, why not toss the fiber in at the same time? And so, I don't -- does that make sense to you that we should maybe value proposals that leverage those sorts of things higher?

MAYOR PRESLER: Absolutely. I think that's key, but I think it's also important to know that renewables don't require necessarily that connectivity. For example, you can have

renewables that we know from the reservation that will power one home, and so that clean energy device can communicate through broadband back to a base company, and talk to that company about, "Is -- is the machine performing? What's the output and what's the input? How do we repair it from a distance in rural communities?"

At the same time, though, if we really are going to succeed with President Obama's mission to bring clean energy and bring renewable energies across America, we are going to have to talk about a national renewable grid plan, and that means deregulating what happens as you cross over state lines and even from county to county.

And so, it's important that as we drop those lines that we make sure we handle the connectivity issues related to the renewables across the country.

MR. SEIFERT: Okay. So I want to talk to Loris Ann. You've heard Carroll talk about they have - - there has to be a business plan, and you represent folks on the tribal land, Hopi tribal land. Do you think there's enough business there or do you think there's enough -- and maybe it's partnering with the university, maybe it's the --

the telemedicine stuff, do you think there's enough there for a business plan -- is there enough demand to do the ongoing costs?

Because that's basically the essence of this program, is we're going to put the cap down.

We're going to put the capital that people don't have access to, but the statute says we can't do that unless somebody can demonstrate that there's a sustainable business model. So do you think that that -- do you think -- can you envision a sustainable business model?

MS. TAYLOR: I think it has been done.

Yesterday, in Las Vegas, the Coeur d'Alene Project certainly was one tribal project that is successful in -- in -- in assuring that it can be done. The Southern California Tribal Digital Village is another example of a different kind of partnership.

But I -- but I think beyond that, I -- I -- I know that we're talking about stimulus funding right now, but I think some of those issues that are ingrained into why we don't have broadband out in Indian Country really has to be questioned. Why -- why are there redlining against communities that are poor or rural?

Those have to be answered in the long term. We can't afford to be redlined if we are going to have economic sustainability in Indian Country. Providers, you know, I want to go back to the tribal telcos, because we have three of them here. The tribal telcos are -- are Carriers and Providers of Last Resort. And they're -- they're -- they're Providers of Last Resort because the market model does not work for Indian Country. And as a result, they have invested their own money, and the universal service programs that are meant to reach the very population that we're talking about has not done its job.

And so -- so I think -- I think one of the criteria that we have to I think envision in the weighting process is to -- is to figure out how -- how we work with our tribal telcos. For the 20 percent match, for example, because they -- they had the courage and -- and the foresight, and -- and the service just focused to reach out to their own community. That has to be worth something in the weighting process. I would hope that that would be supported.

I want to talk a little bit about the blueprint project that Native Public Media is doing.

Several years ago, when we realized that there was no data available on broadband service in Indian Country, we decided to map our own data. And much to our surprise, I've learned that the FCC now has been directed to map broadband, but, I mean, we're moving forward with our project, because we want to know WHATEVER happening in our tribal communities.

Is there fiber there? Is -- is there room for Wi-Fi or wi-max. You know, what technologies are going to be compatible and -- and marketable for our residents? What's the multiplier effect? So while I don't know any real concrete answer to the question that you asked, I think there's some real potential here.

MR. SEIFERT: Okay. I'm a big fan of the Hopi art. My mother-in-law lives in Santa Fe, and so I'm --

MS. TAYLOR: I -- I have some to sell you.

[LAUGHTER].

MR. SEIFERT: I know. It's like I don't have any money to buy, but I am a big fan. So, all right, so let's do this. I want for the public, the folks who are joining us, we have one microphone here, and what I think I may do is take one -- do

you have two microphones over -- let's have -- if I can get an usher to take one of the microphones off this side and one off of here, and then we have three rows of people lined up to ask questions, if that works. So if you do want to ask the panel questions go ahead and get in line. And --

MS. JACKSON: Could I make one --

MR. SEIFERT: Sure, while we're waiting.

MS. JACKSON: -- statement on the -- I don't want to diminish the conditions on the reservation, but I want to remind you that we have un-served people in Williams, Page, Sedona, Colorado city, so the fact is those communities can't develop economically, they can't communicate with the Valley, so regionally we have an issue here that crosses all -- all other -- all boundaries.

MR. SEIFERT: Well, I -- I -- I think it's a good point.

MS. JACKSON: Yeah.

MR. SEIFERT: And it's one we learned last night, too.

MS. JACKSON: Okay.

MR. SEIFERT: From -- and Valerie Fast Horse was

a fascinating witness last night. She was with the Coeur d'Alene Tribe, which Lori's Ann was talking about, and she said the same thing, that reaching out to tribal lands, it's not like you could avoid the other rural communities. You had to just walk right through the middle of them, and so that's the great thing about fiber, is that, you know, it reaches everywhere and it doesn't -- it doesn't discriminate. So I think that's good. All right. So the first question?

MS. MORLITA: Thank you for giving me the opportunity to ask the question. I am Marla Morlita (sp?) from the Arizona State Library. I have a comment and a suggestion. Mark, you asked about which strategic institution we should look at, and that we cannot with the budgets fund access to every home much as we would love to. Almost 100 percent of the public libraries provide access to the internet free of cost to the community. About 80 percent of them are the only source of such free access. Usage of the internet in the public libraries has increased considerably, especially in the most vulnerable of our communities, but their budgets have been badly hit. Libraries are multiuser environments

servicing the bandwidth--intensive demands and the needs of the community. They have positioned themselves as strategic institutions in their communities, funded by the taxpayers' dollars. They exist all across the state. My suggestion on behalf of all the public libraries in Arizona is that for all library applications that ask for enhancing bandwidth the 20 percent match be waived and that their applications be considered for full funding.

MR. SEIFERT: So, panel, something tells me that fully funding all the libraries with no match might take up all the money that if you were if you were going to divide money fairly amongst the states you want to, you know, part of our -- we -- we have a national program, right? And if -- what do you think of this proposal? Is this -- because we have to make some hard choices, right? We have to decide where, and -- I'm -- Maureen -- I knew I'd get it in a second.

Maureen is talking about public safety, right? And -- and -- and we're talking about telemedicine, we're talking about energy. What's your response about how we the decision-makers should respond to such a reply?

MS. JACKSON: Well, I think I'd want to look at the distribution of the libraries. For one thing, where are they located? I mean, I think on the res there's one in Tuba City. So you've got a huge area there that's being serviced by one library, you know? And here in Flagstaff we have a couple. There's -- so, you know, I mean, to me -- to me, I think there's a goal here that we have limited funds and we need infrastructure everywhere.

And it might be good to just look at community locations, whether they be a chapter house, a community center, a library, and distribute that access. So I would be open to you doing some total funding of well-distributed locations. I don't know that I'd pick one organization.

MR. SEIFERT: Right. So then another things folks have been talking about is if you build middle mile, then the strategic institutions use their budgets to get to that middle mile. That in many places that you've been talking about, you know, the long haul runs through. We now -- we have to figure out a way to get the communities tie -- tied in. And if -- and if this money is -- is used to build that middle

mile, then the community itself can then figure out how it wants to allot its scarce resources. And you know if that means this year the library connects, and next year it's 911, and the next year after that it's like a -- a job training center, that those local decisions become possible, because we've put the infrastructure in.

Is that -- how -- what does panel think about that sort of approach?

MS. TAYLOR: Can I talk about the tribal side? You have 562 federally-recognized nations in the country. So, you know, in terms of the money, I mean, we certainly could take all of it.

MR. SEIFERT: Washington State wanted the money last night, and I --

MS. TAYLOR: I know, I know. I -- we're in a dead heat, but -- but I -- but I think for Native America there really needs to be some consultation, because on a government-to-government basis, let the tribal nations decide how they want to address the broadband needs in Indian Country.

MR. SEIFERT: So let me ask you this. So we are reaching out to NARUC and NGA, National Governors

Association, because although we'd love to meet with each governor and each, you know, PUC, we just don't have time, right?

We have to get this money out. If -- if we go to the central tribal authority to the extent that such exists, because I know there are a couple of large organizations, and we say, "You come to us," and, you know, let you all have the fight, basically, in your own area and decide how you want to allot some of these resources, do you think that's a workable plan?

MS. TAYLOR: Well, I think it's a workable plan. I mean, there -- there are certainly a couple of national Native organizations. There -- there's --

MR. SEIFERT: And we put you all in a room, and all of them -- bring them all together, because this is what we're doing with the governors.

MS. TAYLOR: Right, right.

MR. SEIFERT: And this -- we're saying, you know --

MS. TAYLOR: Right.

MR. SEIFERT: -- we've got -- we've got scarce resources. It is -- it is quite fun for me to watch these people who typically work very

independently have come to into a room and say, "Okay, what makes sense for all of us? What's best for all of us?" So --

MS. TAYLOR: Well, yeah. Well, I'm trying to make it easy for you, because we can --

MR. SEIFERT: I appreciate it.

MS. TAYLOR: -- either do consultations with 562 tribes or you can try to find some organiza -- organization that can be strategic --

MR. SEIFERT: Sure.

MS. TAYLOR: -- and kind of help organize that consultation.

MR. SEIFERT: All right. Okay, go ahead.

MS. BOXER: Well, I was going to --

MR. SEIFERT: Well, you --

MS. BOXER: I'm sorry; go ahead.

MR. SEIFERT: Go ahead.

MS. BOXER: Well, I was going to -- I -- I like the idea of -- and I know that the state is very interested in creating these off-ramps so that we now put the infrastructure into a certain point, and then the vendors and everyone else can -- and the communities now have access to that -- to that internet.

And I want to say I don't believe this always

either/or. I don't think we have to make these hard decisions. I think one of the things that we've seen specifically in the Pinal County and what we're trying to do now within the State of Arizona is create partnerships. Once you start to create partnerships, the library doesn't have to be left out of the picture nor does the school districts.

When you bring all the partners together, it's amazing how many people are willing to give and to do more -- and to do more than what is necessary in order to make it happen --

MR. SEIFERT: Okay.

MS. BOXER: -- which is what I think is going to happen. You need to strategically give the opportunity to bring the fiber into the areas.

MR. SEIFERT: Okay.

MS. BOXER: That's imperative.

MR. SEIFERT: And here I started this had whole public comment session, and we've just been having such a good time. I apologize. So let's turn it over to the -- for a question over here in the corner. And if you can tell us who you are, and if you represent anybody, and if you can keep it to 60 seconds or less, 30 seconds and we

give you a gold star.

MR. HAYES: Well, I don't think you want to hear me.

MR. SEIFERT: Okay.

MR. HAYES: Just give me a chance for -- I want to give a comment --

MR. SEIFERT: Okay.

MR. HAYES: -- because I operate a telephone company.

MR. SEIFERT: Okay.

MR. HAYES: My John Hayes. I'm a general manager of CableCom Telephone Company. We serve Seligman, Sanders on the Navajo Reservation, Aguilera, Bagdad, Ajo, north of Prescott. I've got \$25 million from the RUS to take broadband to these communities and beyond. We cannot do it. The problem lies with the state and federal government. They do not give us access. We've been waiting four and a half years. Cannot get it. And is -- is it Mark?

MR. SEIFERT: Yes?

MR. HAYES: The middle mile you speak of in Arizona is 15 to 50 miles is your middle mile, and it's \$40,000-a-mile to put fiber in. And these little circles where you want to put in

wireless to reach the last mile? You need fiber to backhaul, or at least you need a -- a very intense radio system.

And when you need to put in a tower or support structure, again you have to go to federal and state lands or tribal lands. In our case, we spent \$1.4 million trying to get permission to put in cable to -- from Prescott to Seligman, to Bagdad and to Aguila. Still waiting.

MR. SEIFERT: Are these rights of ways that this --

AUDIENCE MEMBER: Permission to get --

MR. SEIFERT: It's permission -- it's that --

MR. HAYES: Yes.

MR. SEIFERT: -- it's not -- it's the U --

MR. HAYES: (Inaudible).

MR. SEIFERT: -- RUS is not giving you money.

It's that --

MR. HAYES: No, I have the funds. The funds are --

MR. SEIFERT: All right.

MR. HAYES: -- the funds to put in -- put in the capital for --

MR. SEIFERT: Okay. We heard this last -- we heard this last night and -- and you'll be

pleased to know, I called my friend in the White House and said, you know, "We have some talking to do." And --

MR. HAYES: Well --

MR. SEIFERT: And I think it's a -- it's a situation that's unique to many of the western states, because so much of the land is owned by the federal government. So --

MR. HAYES: On -- on -- on Navajo lands, for example, we have to do cultural environmental studies for existing power lines, and we're attaching to those. And they want a field survey. That's \$2,000 a mile.

So my point is -- one is affordability. It's not -- it doesn't sound affordable. And number two is the opportunity to strike. We lose, because it takes four -- two, three, four, five years to get access. And then, lastly, my comment is the phrase we hear is, "Oh, you're going to put fiber in, not -- not metallic plant. Oh, you're going to make money off of us." Then, they raise the cost for ten years of rent.

MR. SEIFERT: And you're saying that the BLM or BIA is -- MR. HAYES: Well, no. Well, it could be fed -- could be state lands --

MR. SEIFERT: Right.

MR. HAYES: -- for example, \$85,000, \$150,000, paid upfront for ten years.

MR. SEIFERT: Well, so one thing --

MR. HAYES: All I want to state is --

MR. SEIFERT: Right.

MR. HAYES: -- the money is there. CableCom has 1,500 broadband customers; we put 1,000 in last year. The Navajo Reservation has 1.5 meg, a telephone with custom-calling features for \$30.

MR. SEIFERT: Okay.

MR. HAYES: I can't get it there.

MR. SEIFERT: Okay. I -- I -- I want you to know, I've heard that last night --

MR. HAYES: Okay.

MR. SEIFERT: -- and we're taking it back, so --

MR. HAYES: Thank you.

MR. SEIFERT: So let me turn here, sir?

MR. PRESTON: Yeah. My name -- my name's Jay Preston. I'm from Western Montana. I'm also a telephone manager. I have a background in an ILEC telephone company in Western Montana. We've also acquired some 700 megahertz spectrum in Western Montana, and we have a partnership with the Blackfoot Tribe, which is the reservation

just directly east of Glacier National Park.

We have put broadband service into two communities on the Blackfeet Reservation and are offering service there for about \$30 a month for broadband as opposed to the incumbent that offers DSL in the -- just in the major community there for \$50 a month. We have gotten about 500 customers, which is probably about a quarter of the households in that -- sort of that major community there, and I suspect the incumbent only maybe has 25 to 50 at their higher price.

One thing I've noticed about the stimulus bill is that particularly when -- with respect to RUS is there seems to be a bit of a conflict. Number one, the resources are scarce. Number two, you're supposed to provide assistance for both un-served and under-served communities. Number three, there's a preference for current and former borrowers of RUS funds. And number four, there's a preference for providing a competitive choice in broadband.

So I'm interested, number one, in how are we going -- how is the RUS in particular going to meet all of these somewhat seemingly competing and contradictory provisions at once?

MR. SEIFERT: I am interested in that, also.

[LAUGHTER].

MR. SEIFERT: And when Dave gets up here for the next panel, you can ask him again. So is there a question over here? Is there one more person --

MR. CULLEN: Hi, I'm Jim Cullen. I owned Niles Radio here in Flagstaff for the last 55 years. We're in the wireless business, and -- you're up here poor and remote. And we do serve the poor and the remote with the help of a lady named Hameda Damet (sp?), who is sitting back, got a very small grant from the federal government. And when you want to talk about poor and remote, talk about the Supai Tribe in the bottom of the canyon. The only way is -- in, you can walk or, like, you guys could ride your helicopter in.
[LAUGHTER].

MR. CULLEN: But the rest of us could walk in. She now, with her small grant, was able to administrate through us to provide the Supi -- Supai Tribe with high-speed internet throughout the whole village in the bottom of the canyon. Now, she had a lot of trouble with it, but she was -- managed to do it.

So wireless is really the answer for these remote areas. I know the telephone companies would really like to have fiber everywhere, but, you know, and then I hear healthcare. At Tuba City, we just finished a microwave backhaul for the Tuba City High -- Hospital. The hospital now sends -- has their radiology done in Denver by sending it back over the microwave to get on the broadband here to go to Denver.

And then, I hear about our un-served services here in Flagstaff. For some time, we have served the Alpine Ranchos, the 40s out here I don't -- you wouldn't know what the 40s are, but they're very remote.

MR. SEIFERT: I'm intending to find out tonight.

MR. CULLEN: And north of Williams at Red Lake, where there is no internet; it's all served. But with the small grants like Hameda was able to get, the tribes can be served in a wireless manner because it costs too much money to put fiber in the ground.

MR. SEIFERT: Okay. I --

MR. CULLEN: The only problem we've got is the government decided to raffle off or auction off the 700-megacycle system, which they did for a

great profit. Now, if you want 700 megacycles like this man here with the telephone company would like to get his last mile, he's got to find out who owns it and then pay for it at least ten times what it was actually worth.

So I -- I'd like to see some relief in that we could be able to get some 700 megacycle and provide a better service to the remote areas.

MR. SEIFERT: Okay.

MR. CULLEN: You're talking about the Hopi Tribe; we've got Ivan Sidney right there, the ex-chairman. If anybody can make a business plan and make it happen, he knows how to do it.

MR. SEIFERT: All right, thank you. I just want to make sure we give everybody a chance to -- to make a comment, so if you could tell us your name and tell us who you represent, and if you can try and keep it to 60 seconds.

MR. FATLIN: Okay. I'll keep it very brief. My name is John Fatlin (sp?), and I represent WildBlue Satellite Internet interests in Northern Arizona, and I just had one thought. I'd like to get Carroll's thoughts on that. What does he think about satellite internet to reach our distant friends on the reservations?

MR. ONSAE: I think that's a great idea. We do, in fact, offer satellite internet service on the reservation by way of WildBlue, and it has tremendously helped our customer base out there to be able to have access to internet and so forth, and it is -- it is an alternative, you know, to the -- to the core system that we have out there right now.

MR. SEIFERT: Thank you. Sir?

MR. SHIHA: Good afternoon you all today. Thor Shi ha (sp?). Thank you very much. Welcome to Indian Country. The mayor welcomes you to Flagstaff. I welcome you to Indian Country, where there are no -- nonexistence of broadband. Okay? So it seems to me just by listening to the conversation, if you give us all the money you have, we'll be in fine shape.

[LAUGHTER].

MR. SEIFERT: Excellent.

MR. SHIHA: Yeah. And --

MR. SEIFERT: I will take that back. I have some other friends in other states who might have a problem with that.

MR. SHIHA: It seems like, listening to the conversation, the Indian people years ago, they

used to have these smoke signals? And we were doing fine. That doesn't cost anything.

[LAUGHTER].

MR. SHIHA: And then, you guys came, and you didn't know what we were trying to say. And so, as a result you're trying to find out through this -- a new technology, as to what is really going on between people. You've got to have all of these communication systems, the modern communication systems. But it costs so much. It costs so much, particularly in the rural areas. And if you were to -- if you were to drive out there right now, all of the fencing, the phone systems that you now have, they won't work out there, because there's nothing. There is nothing.

I lived down in Phoenix, and I -- I don't have a fancy one. I have one of these old ones. Do you know, when I got out there, there's no communication, nothing. And so, I think that has to be addressed. Somebody said wireless is the way to go, and I fully agree. We have a company sitting in this room that has invented a balloon system that goes up in the air 100,000 feet. And attached to this huge balloon they have all of

these instruments about the size of a bucket.

And it has all of those instruments in there.

And they have been doing that for several years out on the Navajo with the diabetic patients. So I'm really interested in healthcare.

The diabetic -- the diabetic patients we were -- we are helping right now through partnership with the Navajo Nation. They were able to purchase some of these little -- a hand device? Where, in the morning, they can get up and they can measure their blood to see what their cholesterol level is. They can measure their heartbeat, they can do all of these things that they would otherwise do if they'd going 75 miles to the hospital.

With that instrument, they can put all of that in there, the information. It goes to the balloon, and then it comes back to their doctor at the hospital.

I think you all should be investing some money to do those kinds of things, because these land-based towers don't really work out there. Look at the people in Grand Canyon. They can use the balloon. They can use the balloon. They've been asking for that kind of technology for years.

The last thing I wanted to say is this: a new

program, a wonderful program. And during my lifetime -- look at my white hair -- during my lifetime I've seen a lot of these nice, wonderful programs come in. They always get strangled by rules and regulations.

And I hope that you won't develop all these rules until you have toured the -- the whole country, and then sit down and come up with a rule as to how you're going to handle a lot of these requests. And I would say, number one, what you have to do is that you have to have a broad definition of what you mean by broadband, flexible enough so that innovative projects, innovative ways, could be tried.

And I hope that the program won't be where they focus on the traditional technology and only use that, but go beyond that and do other things like the balloon. And I think that would be great.

The second thing you need to do is really take a hard look at Indian reservations. Yeah, everybody needs this. But there are health problems out there, there are educational institutions out there, and I think if we use wireless, like a balloon system, it could really do a great job of improving our quality of life.

Yeah, thank you.

MR. SEIFERT: Thank you very much.

MAYOR PRESLER: I just want to offer a comment in response.

MR. SEIFERT: Sure.

MAYOR PRESLER: You know, Northern Arizona University offers more than 40 degrees online.

And we also know from Congresswoman Anne Kirkpatrick spending a lot of time with us in our district that Navajo -- that the great nation has a tremendous issue with diabetes, and that was just mentioned here. And how do you refrigerate fresh fruits and vegetables and medicines if you don't have energy or power?

And so, how do you plug in a computer if there's nowhere to plug it into? How do you turn on lights in a library if there is no energy? And so, I think it's important when we talk about goals and strategies that we have a perspective on what we want to achieve.

Now, the jurisdictional comment I think is really important, because it's difficult to get across Navajoland, Hopiland, Supailand, state lands, and our constitution have their own requirements. So we -- we're going to have to address those, but

it's also important that we look at this as an opportunity to really reinvest in America. And what that means is that we have a great responsibility as Americans to rally around common goals.

Healthcare, education, clean energy, public safety -- if the primary goals of what we're doing are around concepts and ideas and passions then it won't be such a territorial agenda and instead we will all succeed.

MR. SEIFERT: I think my sense is that folks in areas that are traditionally under-served and unserved I think are seeing the light on this very issue. And it's that there's -- and we heard it last night from the folks at Coeur d'Alene and -- and some of the other tribal areas, both that this is too important to let traditional -- traditional areas of disagreement get in the way, that we have an opportunity here, and if we can work together to figure that out.

And again, the federal government has a responsibility, because the BLM or BIA, that that sort of thing -- that -- that we need to be facile and quick about getting approvals and doing the environmental studies.

But that -- I -- I like your concept of everybody working toward the same goal, because again, healthcare knows no bounds. Right? Every -- everyone needs healthcare. Everyone needs clean, renewable energy.

MAYOR PRESLER: Everyone needs a place to plug in their computer or --

MR. SEIFERT: Right.

MAYOR PRESLER: -- be able to plug in their refrigerator. If -- if I take you out to -- to Second Mesa, you'll see that there are homes on the Hopi Reservation that are without any power, any clean water. And so, we're talking about basic human rights, basic human needs, and it far exceeds any special interests.

So if we as Americans and as -- as citizens can rally around these common interests of healthcare and clean energy and public safety, I think we'll really achieve more as a community than we would otherwise. And so, when we look at funding, I think it's important that the funding is focused on these common priorities, and I also would raise a point to the earlier gentleman's comments about those who have preference, who have received prior funding, because there are some

communities who are so destitute and so under-served and under -- underrepresentative -- underrepresented that they haven't had an opportunity to even obtain some of these previous matching funds. So if we give priority, we then under -- underscore our ability to make progress in these rural communities.

MR. SEIFERT: All right. So you know when you're in -- at the grocery store, and they put up that little sign that says, "You're the last customer?" So I just -- we have three people in line. I want to make sure you three get to ask your questions. Oh, four. See? Never mind. Or four.

So you four, I just put down the last questions. And if we can go really quickly, because we have another panel, and I want to make sure we get through all this tonight. So let's -- let's knock off this one first.

MR. HANAKE: Okay. I am Jim Hanake (sp?). I was a network consultant with a large networking company, a consulting engineer. I have also been a network manager at Midwestern University, the University of Kansas, and I consult with Missouri and Kansas in their statewide networks.

So my perspective is this. It sounds to me like you have almost infinite needs and limited resource. And I don't hear too much information about how you are going to leverage existing resources, developing -- and the mention of public/private partnerships was made, and I think that's extremely important, because otherwise you're going to be working with people that basically aren't really familiar with the technology and don't know how to deploy it most efficiently.

You need management of the resources and support, which was mentioned. I think that's implied, but when it breaks, it needs to be fixed. And you need some sort of CIO function within each state or -- or political entity which can kind of coordinate the existing infrastructure. Let me give an example.

In -- in the State of Kansas, the project that we wanted to do was network all schools. That's K through 12, universities, and junior colleges. And to get that done, somebody had to decide what the infrastructure was going to look like. They had to contract with telcos for the -- for the service, or lay fiber, one or the other, but it

turned out that was prohibited, and they also needed to develop ways to contract with the individual entities, so that -- with something like a group of schools, libraries, and healthcare facilities, you get into some problems.

You have to solve the problem of whether it's public or private and who you're competing with. And one of the major issues you're going to have in Arizona that we had in Kansas, in particular, was the differential cost of outlying communities to centralized communities.

So you have to deal with what Universal Services dealt with, and that is distance insensitive networking, a community way out on the corner of the reservation has to be able to get broadband service, which, you know, I don't know what the definition of it is. It's not going to run your microwave. It's going to be a -- an --

MR. SEIFERT: Okay. If you could summarize, just so we make sure everybody gets a chance --

MR. HANAKE: Okay.

MR. SEIFERT: -- for their questions?

MR. HANAKE: I -- I think you need to think a little bit about how you're going to coordinate

it within the existing infrastructure for schools, internet, too, whatever you've got, statewide networking, pull those things together, and then look at your proposals in -- in conjunction with how they interface with those infrastructural components, and how service is going to be provided for the long haul.

MR. SEIFERT: And so, I think you make a good point, and I want to push this back to you, the public. You're bringing proposals to us and we're getting your comment on how we should analyze those proposals and what we should do with those proposals.

And when folks come up and say "you," and I've got -- they're pointing at me, "You should, you should, you should," what I have to do is pick, you know, I have to get a team together and we have to set a standard listening to what you say.

MAYOR PRESLER: We'll all volunteer.

MR. SEIFERT: And we have to -- right, we --

MAYOR PRESLER: We'll all -- yeah --

MR. SEIFERT: We apply those standards, but I think if you bring proposals that have these sorts of -- of indicia of reliability, and have been thought out about how we're going to solve

these problems, and when we bring that sort of thing, to me, that right there makes it a better proposal than one that hasn't through those issues.

So I push that back, because I know a lot of people are listening, and are thinking about proposals and how they want to do their proposals, and my advice is when you hear -- when you hear common threads like this is that you should think about that, because we certainly are in the drafting of grant guidelines.

Ma'am, sorry you've waited so long. Thank you.

MS. TACALA: My name is Geralyn Tacala (sp?).

I'm the MIS director for the tribal government on Hopi. And I currently manage EDA-funded grants, which works in partnership with HTI, where we are pushing -- going to push out wireless broadband.

It's the first of its kind of grant, and there have been a lot of issues that we've run into.

So if you want -- want questions answered on how to base your proposals on -- I'd be a good person. I inherited this project, and there is a lot things that weren't thought out all -- all through the whole thing. And -- and we're under this hot seat right now, because I have this year

to fin -- finish out this project.

And the result of it is that once I finish laying all the infrastructure, HTI takes over and maintains it, and -- and subscribes it out to the customers, which would be the Hopi public. I can understand where Carroll is coming from.

Although there was a business plan laid out, I don't think that it's carefully thought through on how HTI, as a new company, was going to continue to maintain the system after that.

MR. SEIFERT: So I'm going to give you one more task to that long list of to-dos you already have, is we are accepting public comment about these very things. And -- and again, I asked Valerie Fast Horse last night, I said, "I need you to submit comments to us about things to watch out for."

I mean, give us your experience. It doesn't have to be long. It can be bullet points, but if -- if -- if you have the advice about how we should ensure that projects are going to be successful or -- or pitfalls to avoid, that's exactly what we're looking for in the public comment period.

MS. TACALA: Okay.

MR. SEIFERT: So thank you and thank you for the

work you're doing. I don't think folks like you get thanked enough for the hard work you're doing to make these things happen.

MS. TACALA: One of the first things I'd like to say is \$2.3 million is not enough to cover a diverse geographic area such as Hopi. It's up and down, and that's our challenge right now, is getting 100 percent coverage for two -- how would I say it?

For HTI to continue to maintain 100 percent, we've had to -- based on assessments for their -- in their -- to make sure that this sustains -- sustainable on their end, we've had to cut back 100 percent to 90 percent. We've had to pull in and not provide full coverage because of that. And as a -- as a federally-funded grant, I've got a couple of questions, because it's been hard. This project has been hard. There's been a lot of requirements, special conditions, and -- and things like that.

So a couple of questions I have is: How will the government secure its interests? What will the government want in return for these grant funds, like reporting documentations on jobs created or retained? And what kind of reporting will be

required by grantees?

MR. SEIFERT: So this is the fun part about that is I want you to write that down and tell me what you think it should be. And this is -- this is actually kind of fun for me, because I get to give you all homework and say, "You tell me what kind of -- I mean, you've seen projects, and you've seen other work, so if -- if -- if somebody out there knows what, you know, they think we should be looking for, please tell us." There are some statutory requirements, but I have been asked and asked and asked, and I'm like, "It's your money. You tell me how you think we should spend it and how we should account for it," because accountability is a very important thing. So if I can -- if -- if you have any other questions, go ahead and toss them out, but I want to make sure we get to these last two before we turn to the next panel.

MS. TACALA: Oh, these aren't questions, but I'm involved in just about everything out on Hopi. We -- we are going to have a Hopi library that has satellites connected to it, and it's actually a grand opening for that at the end of this month.

My concern for that project also is the same -- the same kind of situation as Carroll's. Once those grant funds are done, how will they sustain? It's going to fall back on the tribal government probably to provide that funding for their connectivity and for that program to maintain that thing.

We have a CAD system in the police department that I helped implement in there. They can't use the CAD system, because we don't have any kind of mapping to use the CAD system. One of the things that they're running into, and it keeps being a concern of mine, is bureau -- federal government keeps handing down these regulations, but they don't provide the additional funding to help the police department, you know, employ people, and provide the technology, and replace the technology for those.

So, you know, I see all that, and I'd like for all those areas to be considered in the whole package, also.

MR. SEIFERT: Thank you. Thank you for waiting.

MR. SIDNEY: My name is Ivan Sidney from the Hopi Reservation. Hopi also welcomes you here, and Hopi's philosophy is: We don't want handouts; we

want a helping hand.

It was on that basis that I started my company back in 1996, today referred to as Hopi Wireless. I feel happy that because of assistance from other companies it was the backbone that built wireless on the Hopi Reservation. I speak here on behalf of entrepreneurs, Native American entrepreneurs. Grants and such, we find ourselves competing with our own tribes, with bigger companies, but I believe writing a proposal is one thing. And I invite you to come up and see my company. See for yourself what we have done and want to hear what we can do to build on that.

And I can sell Mr. Zah (sp?) a Hopi Wireless phone and it'll work on Navajo. And if we have broadband back in the '80s when we were chairmen, we would -- may have settled all the problems of the two tribes.

[LAUGHTER].

MR. SIDNEY: I also --

MR. SEIFERT: And that alone should be the reason for broadband --

MR. SIDNEY: I also wanted --

MR. SEIFERT: -- in this area.

MR. SIDNEY: I'm privileged to and honored to see Loris work so hard for Native Americans. Thank you for your continued work. I also see Mr. Onsaе there. I just got hooked up to your DSL at home. I was on your satellite; DSL works better. Thank you for the fiber optics.

We need to work together in partnership, and with the grants availability, we -- I believe we can improve what we have started here. But please don't forget the -- some of us that are struggling still today.

We wouldn't have had the microwave at the Hopi Junior/Senior High School. I was chairman of the board. It wasn't for any of you. They used to microwave to their inactive television classroom, to include internet for the school. We need to go beyond that today. And so, thank you for allowing me to make these comments.

And again, I invite you to come out and visit some of us poor businesses that really also want to be part of the action to bring the new technology to our people. Thank you.

MR. SEIFERT: Thank you very much. And our last comment?

AUDIENCE MEMBER: Thank you. I hope this is not

too off-top -- topic, because I realize that the panel is about rolling out wireless systems, but I am the CEO and founder of a small development-stage technology company based in Sedona, although I've mostly lived my life in Silicon Valley, and I spent 40 years developing advanced communications networks for global telephone companies.

When I stopped doing that for those large companies, I decided back five years ago that one of the single biggest problems I was watching was the failure to scale of muni Wi-Fi solutions and mesh networks in general and Wi-Fi environments. So we have -- my time and I have spent those years inventing and vetting and testing a solution that dramatically extends the performance of grid-based networks, and we are now at the place where we have demonstrated models that have been vetted by some of the best and brightest people in the country, that we can put in networks around the hub that will support 500 subscribers over a geographic area of as much as 20 square miles and can deliver 40 megabits per second symmetrically to all of the subscribers in the network. And it can do it for

a cost per node, or per subscriber, that's 1/40th of the cost of fiber to the home.

So we, basically, the -- the take-home message is we believe we have a network that can deliver fiber to the home performance without the fiber, and with the same levels of reliability. The network will be self-healing and self-provisioning.

My problem is, I went back to my venture capital friends in Silicon Valley, and after the 2000 meltdown of telecommunications, they don't even want to hear the word "wireless last mile." So I have now lined up private investors who are looking for me to find some kind of public/private relationships to be able to do the next level of demonstration, which is to build one single community and demonstrate that the scalability I just described actually works.

And then, we have a technology that's cookie-cutterable, not only across the United States and rural areas, but throughout the world.

MR. SEIFERT: Let me introduce you to the Hopi Tribe, the Navajo Tribe, the Mayor of Flagstaff -
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AUDIENCE MEMBER: Thank you. Well, I will --

MR. SEIFERT: (Inaudible).

AUDIENCE MEMBER: I would love to hear from any or all of you.

MR. SEIFERT: (Inaudible).

AUDIENCE MEMBER: I will -- I will drive or fly anywhere to talk to somebody to find a partner. Thank you.

MR. SEIFERT: Thank you very much. And then, so we've been having people on teleconference, because we know not everybody has broadband, so they can't watch the webcast if they can't here. And one of the questions asked on the teleconference is about in-kind matches.

And they say that because these areas that are un-served are also typically financially -- and this is from Cathy in Georgia, so Cathy, a little shout-out there to you -- that these areas that are un-served also tend to be economically the most disadvantaged.

And so, they're saying -- so Cathy's point is that maybe you should waive the match. Now, on the other hand, so Congress put in and allowed for a waiver of the match, but for every time that we waive the match, there's less dollars to get out to various communities. And so I've

already told you we can't fund everybody, and that we can't -- and we also have a sustainable -- and these are congressional mandates. This is not stuff we're making up.

We have to have sustainable business models. And so, how should we make that decision about when to waive the match? And if we waive every match in kind of rural areas, we're going to get to less-rural areas. I mean, that's just the pure and simple math of it.

So give me and give the team some ideas about what you think should be the decisive point for when we should waive a match. Welcome to our job, by the way. These are the sorts of questions we have.

MS. TAYLOR: I think it's an excellent question. I just want to acknowledge the tribal leadership for this is awesome, Navajo Nation, Ivan Sidney, and other tribal leaders who might be in the room who are my constituents.

I think a waiver for projects that really reach out to un-served Native communities ought to be considered a priority. I think also working with providers that have reached out to un-served or under-served communities or rural communities

should be given a priority.

MR. SEIFERT: But -- but answer the question. If I waive, then that means there are going to be less of those communities that we reach. We have 532 tribes, you said. And if we waive the match, we wouldn't even be able to do 532 of those. Or if we're talking about Maureen's very sparsely-populated but very large county and some public safety needs, if we waive, we're going to run out of money more quickly. You can spread your money by not waiving. And so, help us figure out what -- what are those decide -- decision points we should make? Or how do we -- how do we -- how do we square that circle?

MAYOR PRESLER: I would -- I would offer, just in complement to this comment here, that when communities have a plan, a partnership plan with others, and we know that they're achieving the bigger goals of what we want to achieve, for example, with public health, public safety, or energy, when a third of our congressional district has no power, if they're achieving, for example, those priority goals or purposes, and then we can match that with a community plan that partners public and private partnerships

together, I think we should look at the potential then to do waivers in those cases.

But what would be hesitating to me is if we look at waivers on an individual organization or individual special interest basis. I think we have to focus a waiver potential when it comes to true partnerships that will have far-reaching effects in priority key areas for under-served populations.

MR. SEIFERT: Right. But so, understand what I'm saying. If we give waivers, it may be Flagstaff's community that doesn't get the grant because there are better proposals somewhere else.

MAYOR PRESLER: And because Flagstaff's community doesn't get the grant, maybe Flagstaff, Hopi, Navajo, Supai, Coconino County, and Greater Williams and Winslow get the grant --

MR. SEIFERT: Right.

MAYOR PRESLER: -- because we've decided as a community that instead of being -- beckoning to special interests, we are now going to decide as Americans that we have got to bring power, healthcare, and sustainable energy practices across our communities. And so, maybe Flagstaff

as a municipality may lose out, but a greater community with a greater plan for implementation, a true business plan, will -- will benefit in a broader way.

MR. SEIFERT: Okay. And Loris, I'm going to let you have the last comment. I want to --

MS. TAYLOR: I was just going to --

MR. SEIFERT: -- move to the next --

MS. TAYLOR: -- respond by saying that it's -- it's not like -- it may not be a cash contribution to the project, but I think Native American communities bring other assets to the table. The expertise of Valerie Fast Horse, for example --

MR. SEIFERT: Right, right.

MS. TAYLOR: -- who we can't afford to pay in other projects, but who -- who could be in demand. So I think -- I think in terms of the reach to Native America, we have to figure out how we can be creative and innovative and -- and make the money go as far as it can go.

MR. SEIFERT: Okay.

MAYOR PRESLER: Because our greater asset are the American people. And so, this is a really good example of how we may not be able to -- to write

a check if we have true partnerships, but we can -- we can, in rural Arizona or in rural communities across the nation, use what we do best, which is our people and -- and small resources.

MR. SEIFERT: Right. I just --

MAYOR PRESLER: And so --

MR. SEIFERT: I want to push back hard, because you understand that we have many more rural communities than we have money that we can fully fund all these projects, so if your answer is we're ready to roll the dice, because our community -- even if it's the large, multi-jurisdictional, multi -- your community may be the one that doesn't get picked, because 15 other communities who also are financially strapped -- and that -- and I just -- I -- I put this out there, because I want to make sure people understand that these are some very difficult decisions --

MAYOR PRESLER: Okay.

MR. SEIFERT: -- that this statute poses for us, and we're embracing them, and we want to embrace them with your support, and with your -- your ideas about how to do such, so --

MAYOR PRESLER: And I just want to respectfully push back to say that if we're talking about internet search options at businesses or public libraries, or we're talking about allowing people to plug in a refrigerator because they don't have power in their home, it comes down to what's the most important priority.

And so, I think that when we're talking to American people about how we're going to spend those dollars and how we're going to make sure we care for all Americans, it really comes down to what is most important to us as people. And so, maybe as a municipality in the City of Flagstaff I decide we're not going to have Wi-Fi or we're not going to have broadband connecting the lab from Paul Keim's lab down to Phoenix. Maybe he's going to keep driving two hours.

But what I do know is that a significant population of Native Americans are finally going to be able to refrigerate their medication, so that when they come home from the top premier Indian health service, Hopi Health Center, they're going to be able to then continue in a healthy community.

So I'm willing to make those sacrifice, and I

think most Americans are, as long as we can agree to what the bigger priorities should be --

MR. SEIFERT: Okay.

MAYOR PRESLER: -- and not let special interests --

MS. BOXER: Can -- can I --

MAYOR PRESLER: -- sort of rule the day.

MR. SEIFERT: Okay. And --

MS. BOXER: I -- can -- can --

MR. SEIFERT: -- all right. You get the last, last, last, last comment. And the next panel should be --

MS. BOXER: I --

MR. SEIFERT: -- moving forward.

MS. BOXER: I just want to ask a question. Does it have to be cash? Can it be in-kind? Because, if when you do bring all the partners together, there is so much that can be done.

MR. SEIFERT: Sure. Again --

MS. BOXER: And --

MR. SEIFERT: -- that doesn't solve the math, though. Does it? Right? Because the concept of a 20 percent cash match means you have 20 percent more dollars to spend, and -- and nobody has ruled out, you know, and we're going to take

public comment, but I guess the point I'm trying to make is if you put up 20 percent cash, that means I only have to spend 80 percent cash on your project.

If you put up 20 percent in-kind match, but you need it fully funded, which means I have to put up 100 percent of the cash for your project, I've lost 20 percent of the dollars that could go to another project to -- down the road. And so, I -- I -- I don't think there's an easy answer, but I just think that folks need to understand that these are the decisions that the statute places on us and we -- and we need your comment about what are the standards that we should use when we're trying to make those decisions?

MS. BOXER: But -- but is there a cash -- is there only a cash match or can there be in-kind? I didn't see that --

MR. SEIFERT: That -- we are seeking public comment on -- on that very issue. So you should let us know. All right, thanks very much, this panel. We're going to get the next panel to move up.

[APPLAUSE].

MR. SEIFERT: And we really do appreciate it.

Thank you very much. You all are great. Thank
you so much.