

FIBER OPTICS BACKGROUND & CALL TO ACTION

August 31, 2002

Because of the growing political implications of this problem, I undertake this request as a business representative and not on behalf of any particular group or organization.

HERE ARE THE FACTS SUPPORTING OUR POSITION ...

Pacific Bell is in the process of bringing fiber optic connections to Humboldt County from the Bay Area. They are almost complete with much of the construction, and have only 21 miles remaining in the permitting process. The impasse is a demand by CalTrans for right-of-way encroachment fees that total between \$2-3 million. PacBell has offered to set the dispute aside (in escrow), proceed with the project and settle in arrears if it is determined that these charges are legitimate. CalTrans has refused, and demands full upfront payment before the project can proceed further.

If PacBell were pulling copper cable instead of fiber optics, there would be no Caltrans right-of-way encroachment fees. State legislation states that fiber right-of-way fees are "negotiable". PacBell is franchised to provide service in Humboldt County. With current service at capacity, the fiber project will bring capacity to Humboldt County. PacBell asked the federal court for an injunction to proceed with project work, but the writ was denied. Meanwhile, Humboldt County suffers several setbacks until this dispute is resolved:

- 1) Local businesses cannot order high-speed data lines because the current microwave links have reached their capacity. Large and small companies are reevaluating their future expansion plans based upon the prospects of limited bandwidth. These companies have written letters to Caltrans and their elected representatives.
- 2) Companies considering locating or establishing in Humboldt County face the obstacle of lack of high-speed data on top of our transportation limitations. Increasingly, access to high-speed data transmission has become a necessary business infrastructure for nearly every type of industry.
- 3) Our local capacity to expand simple telephone service within the area will be hindered.
- 4) Of the 58 California counties slated for inclusion in the new Digital California K-12 Classroom Project that begins this month, only Alpine, Humboldt and Del Norte will not participate. This State program brings Internet and network-based resources to both students and teachers. The sole cause for our exclusion is our lack of high-speed data transmission to expand beyond its present capacity.

Each of our major local and state elected officials has been asked to intervene in this dispute to no coordinated or productive result. As community leaders, we are outraged by the arbitrary and irresponsible actions by our state government, which (if successful) will only result in substantially increased user rates by the consumers -- a de facto tax, without any elected officials to hold responsible.

For our economic, educational and community well-being, this project must move forward to completion, with the right-of-way charges being determined by an appropriate government agency or courts and compliance by Pac Bell, if required, after the fact.

Contact me at <chris@techcrawford.com> to add your name to the growing list of local individuals and organizations willing to participate in a productive resolution of this problem.

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