


TRANSMITTAL MEMORANDUM

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TO:	The Honorable Mayor & City Council	Initials:	
FROM:	Delilah A. Walsh, General Manager	File #:	MGR24-465
DATE:	July 11, 2024	Mtg. #:	07/18/24 MRe
RE:	<b>KPU Telecommunication Division Manager's Report – June 2024</b>		

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Attached for City Council review is the June 2024 project status report from the KPU Telecommunication Division Manager. Should the City Council have questions regarding the division manager's report, staff can respond accordingly.



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## **TELECOMMUNICATIONS DIVISION MANAGER'S REPORT**

### **OPERATIONAL ISSUES – JUNE 2024**

#### **TELECOMMUNICATIONS DIVISION MANAGER**

##### **SUMMARY**

The KPU Telecommunications Division continues to be in good shape both operationally and financially. It will be key to continue the legislative efforts outlined below to continue the long-term success of the Division.

#### **KPUTV SUNSET:**

We sent a second letter to all KPU TV customers in January notifying them of the upcoming sunset of the KPUTV product on September 15, 2024, and notifying them of the customer streaming workshop on March 23, 2024. KPU Tel held additional customer streaming workshops on February 10, 2024 and June 8, 2024 at the Plaza Mall. The workshops gave customers further details on streaming services and hardware options available for streaming television services. KPU employees were on-hand to provide demonstrations to customers. We are also sponsoring a contest where customers that disconnect KPU TV by July 15, and keep Internet will be entered to win three \$500 prizes.

#### **KETCHCAN1:**

Subsequent to the repair of various terrestrial fiber optic cables in southern British Columbia (due to flooding in late December 2021), KetchCan1 continues to perform flawlessly. I have been in continued discussions regarding our capabilities with multiple potential partners in hopes of selling wholesale services on the cable. We are anxiously awaiting the completion of the Connected Coast project in Canada that will improve the redundancy and resiliency of our transport through Canada.

#### **4G-LTE:**

We have finalized the design of the capacity projects for Skagway and downtown Ketchikan and equipment has been ordered which will be installed in the spring. Skagway installation started in mid-May, but due to some equipment failures will need to be rescheduled. The upgrade for downtown Ketchikan is scheduled for June but may be delayed due to the issues at Skagway. Bear Valley and the High School will be the next projects we plan to complete in 2024. KPU has negotiated new rates with Verizon for 2025-2027. The amendment is on the July 9, 2024 City Council agenda for approval.

#### **PERSONNEL:**

I continue to be impressed with the Telecommunications Division's employee work ethic and dedication. We are creating a culture at the Telecommunications Division where every employee is valued.

At present, the following positions remain vacant:

- Zachary Stewart was hired to fill the open Customer Support Specialist (CSS) position and will start on July 22, 2024.
- We have made an offer to a candidate to fill the open Accounting Technician position.
- There is an open Combination Technician position that is being actively advertised.

The labor market has changed significantly since the rebound from the pandemic with low unemployment and new employee expectations for flexibility. The City needs to develop work-from-home policies to meet these expectations or risk not being competitive in the labor market.

#### **LEGISLATIVE:**

I continue to be engaged on legislative and regulatory issues working with the Alaska Telecom Association - participating in video meetings in Juneau and DC (with Alaska's Congressional Delegation and staff) - regarding Alaska telecommunications/broadband funding issues which may affect KPUTel indirectly or directly. Approximately 29% of KPUTel's annual revenue is derived from USF (Federal) and AUSF (State) - and the 'ground' under these programs is always shifting, and requires constant attention - particularly now that proposed federal infrastructure legislation has billions of dollars targeted toward broadband - it is critical to ensure that the Alaska Plan is not altered or threatened via the legislative process.

#### **ALASKA CONNECT FUND (ACF):**

The Alaska Telecom Association (ATA) filed a petition with the FCC on January 4, 2023 to establish a successor to the Alaska Plan that is presently set to expire at the end of 2026. The successor plan would extend the term of the Alaska Plan to 2034 and add an inflation increase to each company's Universal Service Fund amount. Each company will negotiate individual performance obligations with the FCC.

The FCC released a Notice of Proposed Rulemaking (NPRM) regarding the Alaska Connect Fund (ACF) on September 28, 2023. This is an enormous step forward in this process. KPU participated with ATA member in filing comments on January 16, 2024. KPU participated with ATA members in filing reply comments on February 16<sup>th</sup>. ATA strategically hired Wilkinson, Barker, and Knauer, including an attorney who worked for Chairwoman Rosenworcel's office, to draft the comments. ATA has now turned to advocacy with the FCC and Delegation. ATA had its first in-person meetings with the FCC on the ACF at the end of March. A second round of FCC and Congressional Delegation meetings occurred the first week in May. The meetings went well and we are hopeful the FCC will move the ACF forward this year. ATA will be sending some summary points to the Delegation the first week in June to facilitate calls to the FCC Commissioner's office urging action on the ACF. As a result of our persistence and advocacy, we are now expecting that an order for the ACF will be voted on at the FCC public meeting of September 2024.

#### **STATE LEGISLATIVE FLY-IN:**

I participated with other ATA members in our state legislative fly-in the week of March 4<sup>th</sup>. We met with 40 state legislators over 2 days. ATA updated legislators on the over \$2 billion in investment since 2017, and upcoming opportunities from the \$1 billion of federal Broadband Equity and Access Deployment funding later in 2024. ATA successfully pushed to get state legislation passed late in the session to provide direction to the RCA regarding the implementation of SB83 (deregulation initiative) from several years back.

## **REGULATORY UPDATE**

### **SUMMARY**

KPU-Tel received word from the FCC that they are hoping to have a decision on the future of the Alaska Connect Fund by the fall of this year. The terms are not yet known, but KPU-Tel management is continuing to work with the Alaska Delegation, the Alaska Telecom Association (ATA) and representatives from several other Alaska broadband companies on a favorable outcome for the new Alaska Connect Fund. The Alaska Connect Fund is a vital revenue source for KPU-Tel. KPU-Tel relies on this funding support to provide the best internet possible in Ketchikan at affordable rates. Management has also been working on renewing its LTE in Rural America (LRA) agreement with Verizon. This is another key component to providing premier services to both residents and visitors of Ketchikan.

#### **OTHER REGULATORY ISSUES OF INTEREST ARE AS FOLLOWS:**

During the public meeting held June 26, 2024, Commissioner Robert A. Doyle was unanimously re-elected as the Chairman of the Regulatory Commission of Alaska. Commissioner Doyle will continue to be responsible for the administrative functions and preside over the commission for another fiscal year term that begins July 1, 2024.

#### **REPORTS AND FILING:**

##### **ANNUAL ETC REPORT FILED**

KPU filed the Eligible Telecommunications Carrier Report with the RCA on June 14, 2024. This is a requirement of the FCC for all ETC's to certify offered services, as well as functionality in emergency situations.

##### **ANNUAL ESSENTIAL NETWORKS SUPPORT REPORT**

KPU filed its report regarding essential network support on June 7, 2024 with the Regulatory Commission of Alaska (RCA).

##### **ANNUAL FCC FORM 481 FILED**

KPU Telecommunications filed their 481 High Cost Low Income report with the Universal Service Administration Company (USAC) and the RCA (Regulatory Commission of Alaska) on July 1, 2024. The 481 is an annual federal report that contains revenue information from the previous year and includes certifications for the Federal Lifeline Program, Service Quality, and Functionality in Emergency situations.

##### **QUARTERLY PERFORMANCE MEASURE METRIC SUBMISSION**

KPU submitted its first quarterly Performance Measure filing. The Federal Communications Commission (FCC) adopted requirements that recipients of high-cost support test their broadband networks for compliance with the appropriate speed and latency metrics, and report and certify the results.

##### **FORM 507 DATA SUBMISSION**

KPU Telecommunications submitted data to the National Exchange Carrier Association (NECA). This data submission includes line counts for specific type of service. The submission was completed on June 4, 2024.

##### **FUSC RATE CHANGE**

The FCC released a Public Notice that effective July 1, 2024, the Federal Universal Service Charge (FUSC) rate would change from 32.8% to 34.4%.

## **RCC ANNUAL RATE CHANGE**

The Regulatory Commission of Alaska (RCA) issued order U-24-010.2 to establish the rates for the 2025 Fiscal Year which began July 1, 2024. Rates for local exchange increased from 1.223% to 1.474% and Interexchange Telephone rates increased from 2.328% to 5.034%.

## **TELEPHONE ENGINEERING DEPARTMENT SUMMARY**

### **ENGINEERING:**

- **4G/LTE:**
  - Tuning of new sectors in Skagway.
  - Working with Ericsson to replace some defective equipment received.
  - One week of working with Verizon to migrate to a new switch in Redmond, WA.
- **IP ENGINEERING:**
  - ExtraHop upgrades completed.
  - Design work for KPU Water Department.
  - Testing of newer TP-link managed Wi-Fi models.
  - Core routing updates for voice lab environment.
- **VIDEO ENGINEERING:**
  - Minerva 10 shutdown and virtual machines decommissioned.
  - Streaming Workshop June 8<sup>th</sup> completed.
- **VOICE ENGINEERING**
  - Ongoing feature testing between NetSapiens and Adtran TA5000's.
  - Oracle SBC software upgrade completed.
  - Final quotes for replacing SS7 signaling trucks.
- **SYSTEMS ENGINEERING:**
  - SSL certificate reissue in progress for various systems.
  - MFA for WebEx 90% complete.
  - VSphere critical updates completed.
  - Paymentus planning is 80% complete. 1<sup>st</sup> week of August cutover date.
  - Cisco UCS environment decommissioned.
  - Legacy Dell Unity 300 reprovisioning for backup 50% complete.
  - Veeam production backup's migration completed. Lab is 30% complete.
- **FACILITIES:**
  - Worked with the splicers getting the new Altec air systems online for management.
  - Additional fiber to the home capacity in several offices this month to meet growth.
  - Exploring options to enhance the datacenter's air conditioning system.

### **SERVICE DELIVERY & NETWORK OPERATIONS:**

- 52 Resolved PBX tickets.
- 11 Service orders.

## OUTSIDE PLANT CONSTRUCTION AND SPLICING:

- **PROJECTS IN JUNE 2024:**

- Fiber to Imhoff Avenue with conduit and cable.
- New fiber cable to 5459 N. Tongass Highway.
- Completed Schoenbar Apartments MDU.
- Completed Yorktown MDU.
- Coordinated conduit builds for Copper Ridge Road and Bar Harbor Ramp 4.
- Completed one fiber JO and one fiber WO for construction.
- Completed and submitted RFP to build new fiber infrastructure at Back Island SEAFAC.

- **INSTALLATION AND REPAIR:**

The installation and repair crews completed:

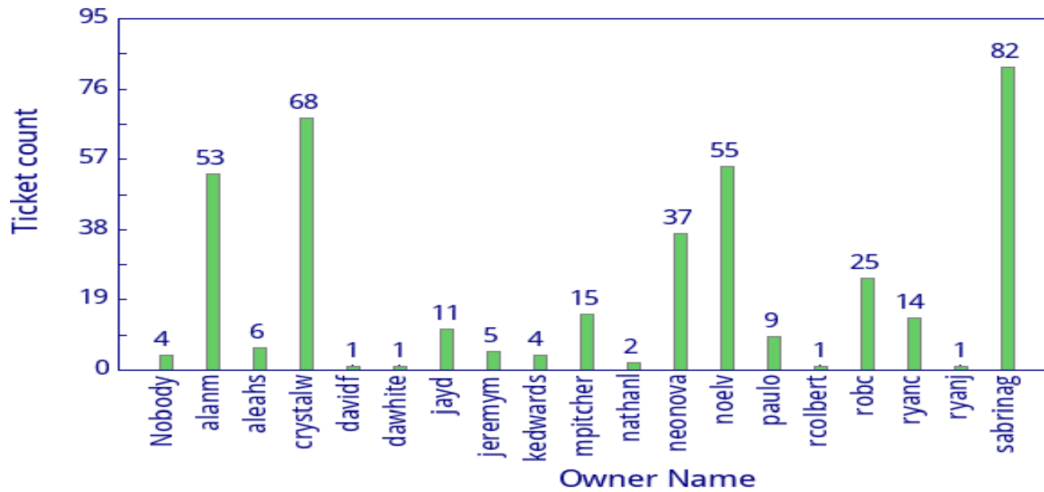
- 83 Service orders
- 85 Trouble tickets
- 9 Fiber drops

OSP INSTALLATION & REPAIR SCORECARD: JUNE 2024	SO	TT	FD
<b>EMPLOYEE</b>			
Jared A			
Jason C			
Ryan C		17	1
Ricky C		1	
Brad C			
Jon D			
David F		2	
Ryan J		1	
Nate L		2	
Alan M		61	
David F / Ryan C	9		
Nate L / Ricky C	1		
David F / Nate L	2		
David F / Ryan J	16		1
David F / Ryan J / Nate L	3		
Ricky C / Ryan C		1	
Ryan C / Ryan J			3
Ricky C / Harry F			1
David F / Ricky C / Ryan C	4		
David F / Ryan J / Ryan C	40		
David F / Ricky C / Ryan J / Ryan C	4		
David F / Ricky C / Ryan J / Nate L	4		
Ricky C / Ryan C / Jon D / Harry F			1
Jason C / Jon D / Ricky C / Harry F			1
Ryan C / Jason C / Jon D / Ricky C			1
<b>TOTAL</b>	<b>83</b>	<b>85</b>	<b>9</b>

2024	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
SO	46	40	45	79	71	83						
TT	93	72	87	97	74	85						
FD	9	8	8	21	10	9						
<b>TOTAL</b>	<b>148</b>	<b>120</b>	<b>140</b>	<b>197</b>	<b>155</b>	<b>177</b>						

#### CSS OVERVIEW:

- **TOTAL CSS CALLS:**  
Calls to Customer Support (June 2024)
  - Total Calls to 225-2111 = 253
  - Calls forwarded to NeoNova 984-244-5721 = 102
  - Calls Answered by Customer Support = 151



Owner Name	Ticket count
Nobody	4
alanm	53
aleahs	6
crystalw	68
davidf	1
dawwhite	1
jayd	11
jeremym	5
kedwards	4
mpitcher	15
nathanl	2
neonova	37
noelv	55
paulo	9
rcolbert	1
robc	25
ryanc	14
ryanj	1
sabinag	82
Total	394

**Query:** Status != 'SPAM' AND Status != 'rejected' AND Queue != 'OPS' AND Queue != 'CompHQ' AND Queue != 'Customerservice' AND Queue != 'MSM' AND Queue != 'Maintenance' AND Queue != 'BattRep!' AND Queue != 'Support\_Level3' AND Queue != 'Billing' AND Queue != 'CustAtRisk' AND Queue != 'Test2' AND Queue != 'Support\_Level2' AND Resolved < '2024-07-01' AND Resolved > '2024-05-31'

## Group «KPU CSS»

2024/06/01 - 2024/06/30 ☐ Compare to previous period

+ Add filters

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OVERVIEW

SENTIMENT

CALLS

CALLS

1,162

USERS

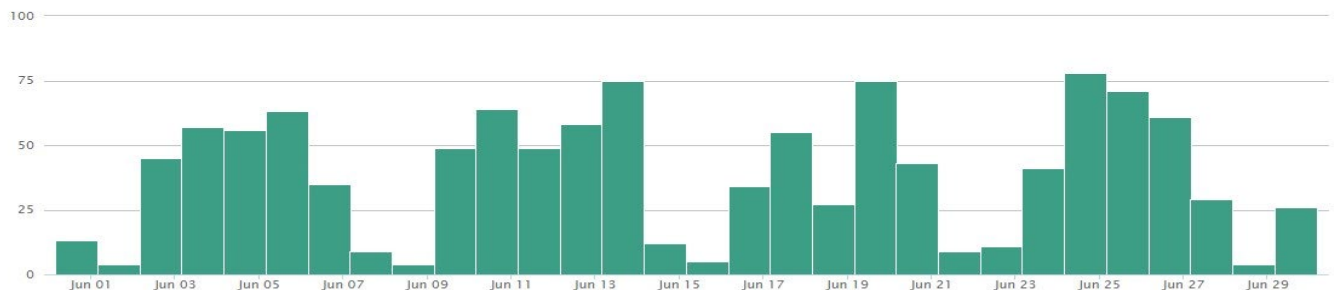
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AVG DURATION

2:40

CALL TIME, MINUTES

3,113



USER	TOTAL CALLS	AVG DURATION	CALL TIME, MINUTES	
Aleah Slattery	67	2:53	194	<a href="#">View</a>
Crystal Williams	198	2:04	412	<a href="#">View</a>
Noel Velez	302	2:26	737	<a href="#">View</a>
Robinson Cruz	316	2:30	792	<a href="#">View</a>
Sabrina Gartner	279	3:30	978	<a href="#">View</a>