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Transcript

FirstNet Board of Directors Webcast, Sacramento, CA, December 13-14, 2016

*Joint Meeting of All Committees: Governance and Personnel;
Technology; Consultation and Outreach; Finance*

Board Meeting Day 2

SUE SWENSON: Good morning. Welcome to the December 13th FirstNet Board Meeting here in Sacramento. Happy to be in California; it's nice to be in the same time zone. I live in Southern California, so it's nice to be in my home state here.

We had some very productive meetings yesterday with the Committees, and today we'll take care of Board business. For those of you who weren't at the Committee meetings yesterday, we'll give some brief updates on those Committee sessions; and then we have some additional information to cover here today.

I think we probably need to start with some introductions. We have a new Board Member, Chris Piehota. Where is Chris?

KAREN MILLER-KUWANA: He is calling in today.

SUE SWENSON: Oh, calling in, okay. Chris was here yesterday, but Chris is on the phone today. Chris replaced Amy Hess, and Chris is the Executive Assistant Director of FBI's Science and Technology Branch. Obviously, great to have Chris on the Board from that particular portion of the Department of Justice; and we're very excited to have Chris join the Board and assist us as we work on FirstNet issues going forward.

Welcome, Chris. I know we'll get you on the roll call here.

Karen, would you conduct the roll, please?

KAREN MILLER-KUWANA: Yes.

Sue Swenson?

SUE SWENSON: Present.

KAREN MILLER-KUWANA: Jeff Johnson?

JEFF JOHNSON: Here.

KAREN MILLER-KUWANA: Barry Boniface?

BARRY BONIFACE: Here.

KAREN MILLER-KUWANA: Edward Horowitz?

EDWARD HOROWITZ: Present

KAREN MILLER-KUWANA: Christopher Burbank?

[No response]

KAREN MILLER-KUWANA: James Douglas?

JAMES DOUGLAS: Here.

KAREN MILLER-KUWANA: Kevin McGinnis?

KEVIN MCGINNIS: Here.

KAREN MILLER-KUWANA: Annise Parker?

ANNISE PARKER: Here.

KAREN MILLER-KUWANA: Neil Cox?

NEIL COX: Here.

KAREN MILLER-KUWANA: Ed Reynolds?

[No response]

KAREN MILLER-KUWANA: Richard Stanek?

RICHARD STANEK: Here via the phone.

KAREN MILLER-KUWANA: Teri Takai?

TERI TAKAI: Here.

KAREN MILLER-KUWANA: Dave Mader?

[No response]

KAREN MILLER-KUWANA: Suanne Spaulding? [No response]

KAREN MILLER-KUWANA: Christopher Piehota?

[No response]

KAREN MILLER-KUWANA: Madam Chair, we have a quorum.

SUE SWENSON: Thank you very much.

The Board Members have before them the minutes from the August Board meeting, and just want to see if there are any adjustments to the Board; otherwise, I would entertain a motion to approve.

MALE: So moved.

MALE: Second.

SUE SWENSON: Thank you.

All those in favor, please signify by saying "Aye."

MULTIPLE VOICES: Aye.

SUE SWENSON: Opposed?

[No response]

Any abstentions?

Karen, would you make those available to the public? Thank you.

Before we start the normal course of business today, Karen will read the Conflicts Notification that precedes all of our meetings these days.

KAREN MILLER-KUWANA: "In advance of FirstNet's December 2016 Committee and Board meetings, the management team has provided the Board and Committee members with an agenda outlining each of the items that will be discussed and decided during the Committee meetings and the Board meeting. The Members were also provided with the Conflicts of Interest assessment, which was produced jointly by the "Commerce Department Office of General Counsel and FirstNet's Office of Chief

Counsel. Providing these documents in advance to the Board Members allows them to identify potential conflicts of interest and to recuse themselves from participation, if required. We will, prior to these Committee meetings and full Board meeting, remind all Board Members of their obligations relating to conflicts of interest and ask them to identify whether any recusals from deliberations or voting are necessary.

"In consideration of the joint meeting today, each Member should consider his or her obligation, with respect to the appropriate Committee – and for some of you, that might be more than one. Just be clear, we are only doing one conflicts notification.

With that said, if any Board Members believe that they must now recuse themselves from the Board meeting today, please so state for the record."

Seeing no conflicts, we are ready to proceed.

SUE SWENSON: Thank you.

Before we conduct the normal business today, we have several Board Members who will be leaving service on the FirstNet Board; and we wanted to take this opportunity to thank them for their commitment and service to the FirstNet Board over the past several years. We actually have three Board Members who will be moving on, and I want to provide the Board an opportunity to comment. Obviously, these have been demanding and challenging times for a project of this nature; and I personally appreciate the work that each of these Board Members has contributed to the FirstNet Board for the years that they've served.

We have three Board members as I indicated: Barry Boniface, who is joining us by phone today. Barry will be leaving us at the end of the year, joined us several years ago, and brought just tremendous expertise from the space he comes from – from Telecom, from private equity – and just also brought a sense of humor, which obviously we could use once in a while. We deal with very serious issues, and his humor was actually quite a welcome addition.

We also have Suzanne Spaulding, who was here yesterday; and I did make some comments yesterday about Suzanne. She's on the phone today and we very much appreciate her representation from Department of Homeland Security; and also not only Suzanne, but her staff as well have been very supportive of the efforts of FirstNet and we're going to miss Suzanne tremendously on the Board.

Last, Dave Mader, who is not with us today, from the Office of Management and Budget. Dave is a very busy guy, making sure that budgets are done and the Government can keep working but continue to be supportive of FirstNet as we work through some very challenging issues.

I just want to thank all of them for their commitment, for their contributions. We wouldn't be here today without the contributions of each of them. I'd open it up for others who have had an opportunity to work with these folks and make any comments that you would like at this point.

JEFF JOHNSON: Thank you, Madam Chair.

I had an opportunity to thank Suzanne yesterday for her service -- one of the longer standing serving members of the FirstNet Board of Directors and brought a wealth of experience about how the system works, which was important to us. We needed to figure that out.

So thank you, Suzanne.

I have not had a chance until today to thank Barry Boniface. Now, there were a whole number of people that I had not met, names that were unfamiliar to me – Tim Bryan, Frank Plastina and Barry Boniface. I think every instinct in my body is to have something funny to say, but I probably won't because I'll rib him at a later date.

I think what I would like to do today is recognize Barry's contribution here. He is an insightful and talented businessman of the highest order. I don't think I found a subject related to what we're doing that he wasn't

an expert at and that his opinion wasn't respected at. His ability to kind of connect with all of us, from the responders to the staff to the other members of the private sector, members of this Board, it really kind of was unparalleled.

Barry, if you're listening, just thank you very much for your contributions here. It's one of those things that you never came here to seek attention; you never came here to line your pockets. You came here to give to public safety and to give to your country, and I appreciate it. Thank you, Barry.

SUE SWENSON: Thank you.

ED HOROWITZ: Thanks, Susan.

This is Ed Horowitz. My term has overlapped with Barry's last year; I just started last September, as you know. I just wanted to say in that short period of time when I've worked with him on this Board, I've really come to admire his "givability" -- not only in the private sector, which is where I've known him for quite some time, but really in his service to this mission that we have to serve public safety through the creation of the FirstNet authority and (inaudible) with the network.

In this short period of time that I've been with him, I've learned a lot. He briefed me on the comings and goings of the Finance Committee, which I now share with the governor; and I found his insights to be extremely valuable. I also would like to join you in thanking him for his service.

SUE SWENSON: Thank you.

NEIL COX: I would like to make a comment also.

Barry, this is Neil Cox. I'm replacing you, as you know, on the Technology Committee. You did an excellent job in your leadership prior to me coming on board. It can be seen in everything on the technology area of FirstNet. So I just wanted to thank you. You had a lot of foresight on how this network would be designed, engineered and deployed; and I really appreciate your work and wish you the best.

ANNISE PARKER: Barry, this is Annise Parker. I just want to remind you that you helped vet me for the Committee -- thanks, I think. I want to wish you well.

I also want to note Suzanne Spalding. I also served with her on the Homeland Security Public Safety Advisory Counsel. We're both transitioning off of that, but I've spent a lot of time with Suzanne -- and a consummate public servant.

JAMES DOUGLAS: Let me thank Dave Mader, specifically. He's been a valuable member of the Finance Committee. I recall a couple of occasions when he would ask a question or offer a comment that would render the rest of us mute because it was so insightful, and we hadn't thought about it; and he added a very valuable perspective to our deliberations. We really appreciate the time that someone with his extensive portfolio has been able to devote to the FirstNet Board.

I want to join my colleagues in thanking Suzanne as well. As has been noted, we have enjoyed tremendous continuity in terms of representation from the Department; and Suzanne has contributed meaningfully throughout all of our deliberations.

Like Mayor Parker, Barry was on the Vetting Committee; and I signed on nevertheless. He has, as others have noted, really offered some tremendous experience as we have deliberated and brought FirstNet to the point where we're ready to go to launch this important network for public safety.

If things kind of bog down, Madam Chairman, and we need some entertainment at our Board meetings or dinners, I hope Barry will be available.

SUE SWENSON: Barry, did you get that request -- that you might be available for joining us for dinner?

BARRY BONIFACE: I heard all of that, Sue. I guess I'm always available on short notice for entertainment purposes, so I appreciate that. I really appreciate the kind words of everyone. I don't really recognize the person you're talking about, but I do appreciate the kind words. I really have enjoyed my time on the Board and getting to know all of you better. It's been a great experience. I think we've made a lot of good progress as a group, and I really look forward to watching you guys take that progress from here. I thank you very much for the kind words and, frankly, the friendships that we've built through the years here.

SUE SWENSON: Great.

Kevin, I think you wanted to add something.

KEVIN MCGINNIS: Thank you, yes.

Also for Barry – you know, from day one of this Board, we knew that the mix of public safety and state and locals and then these private sector people was going to be a weird chemistry; and it certainly produced its moments. But I think Barry is probably one of the greatest examples of exactly how well this has worked.

I would say this for everybody sitting at this table from that industry, Barry, thanks; you get it!

BARRY BONIFACE: Thank you.

SUE SWENSON: Great, and I just want to give anybody on the phone an opportunity. I think, Suzanne, you've been able to join us. Chief Burbank, I think you've been able to join us as well. So any other comments from any of the Board Members or departing Board Members?

SUZANNE SPAULDING: This is Suzanne on the phone. I have finally been connected appropriately with a speaker's line, so thank you. I really was so pleased to be able to be with most of you in person yesterday, and I'm sorry not to be there today, particularly to say goodbye to Barry in person.

I did want to again indicate to everybody what a tremendous honor it has been to be able to serve as the DHS designee on the Board. Like all of you, I care very deeply about ensuring resilience, interoperable and robust public safety communications. I think back to 9/11 and standing in the parking lot of the smoldering Pentagon and listening to the fire chief's frustration about the inability to share data. We think of Katrina, and more recently in my current position, the Boston Marathon response. We all know no plan survives first contact with the enemy, if you will; and the importance of communication and the ability to quickly provide a common situational awareness of the threat and response becomes absolutely vital.

I know that you all know that the work that you are doing and will carry is so incredibly important, and I've been really honored to be a part of it. I leave very confident, having seen the tremendous maturation over the last almost four years of the FirstNet organization – particularly, Sue, under your leadership, which has really made a tremendous difference.

And, Jeff, both of you have demonstrated really an unwavering commitment to this commission; and your hard work is really an inspiration. You've built a world-class staff, and you've got an extremely capable Board; and from DHS's perspective, I'm pleased to know that you will have the continuity of our tremendous Director of our Office of Emergency Communications, Admiral Ron Hewitt, who will be staying on after I leave. He's a career employee.

I wish you all the best of luck, and I look forward to continuing to read about the great progress that you're making. I just want to thank all of you for your tremendous efforts.

SUE SWENSON: Thank you, Suzanne.

Any other comments before we proceed?

CHRIS PIEHOTA: This is Chris.

SUE SWENSON: Okay, go ahead, Chris.

CHRIS PIEHOTA: I'll be really brief. I've had the opportunity to work with this Board for several years now, and the reason that we are where we are at and that we have the trust and confidence of those end users that I represent is because of the good people on this Board that have given so much of their time and energy and knowledge to FirstNet. I sincerely appreciate it, and I am confident that the end users will someday come to know what tremendous work all of you have done. Thank you and good luck to you.

SUE SWENSON: Thanks, Chris.

Okay, if there are no other comments, I'm going to have our Secretary read the operative portion of resolution, thanking those Board Members and having that in our official record.

KAREN MILLER-KUWANA: Thank you, Madam Chair. I'm going to read all three resolutions, one after another: "Now therefore be it resolved that the FirstNet Board hereby extends its formal appreciation to Barry Boniface for his extraordinary service and dedication as a Member of the FirstNet Board."

"Now therefore be it resolved that the FirstNet Board hereby extends its formal appreciation to Under Secretary Suzanne Spalding for her extraordinary service and dedication as a Member of the FirstNet Board."

"Now therefore be it resolved that the FirstNet Board hereby extends its formal appreciation to Controller Mader for his extraordinary service and dedication as a Member of the FirstNet Board."

SUE SWENSON: That's all of them, right?

KAREN MILLER-KUWANA: Yes.

SUE SWENSON: So having heard the operative portion of the resolution, I'm looking for a motion to approve the resolutions.

Thank you.

Thank you.

All those in favor, please signify by saying "Aye."

MULTIPLE VOICES: Aye.

SUE SWENSON: Opposed same sign?

[No response]

Abstentions?

[No response]

Those motions have been approved, and we'll put those on the public record. Thank you very much.

Now we'll enter into the business portion of our meeting. Before we do that, I just want to thank the CAL OES folks yesterday. We had a good tour of the facilities here in Sacramento, and it's just great to be in particular locations and meet with the local folks and understand not only the challenges but the

opportunities that they have to actually serve the public safety community. So it was a great opportunity for the Board, and I think management, to go there and actually see in person what we hear about. We very much appreciate your hospitality yesterday to do that.

Today we have a special guest out of that same organization. I'd like to turn the meeting over to Chief Johnson to do that introduction.

JEFF JOHNSON: Thank you, Madam Chair.

Every time I come to California, I keep waiting to find someone that would play Triple AAA ball in emergency services; I never find them. I don't know where you find the cream of the crop, but I've worked with Chief Kim Zagaris, who leads your fire efforts in California. I've worked with him for more than a decade, and he is one of this nation's finest chief officers and one of the world's foremost experts in wildfire.

Then yesterday, we stumble into the Cal OES Communications Section; and I think the word "staggering" is appropriate. I mean, the scope and depth of the work at Cal OES Comms was incredible. I expected something big and sophisticated, and that expectation was blown away. My hat is off to Cal OES Comms and Cal Fire and it's my honor today to recognize their leader, Mark Ghilarducci, who is the head of Cal OES.

He has served as the Director since July of 2013, when he was appointed in that position by Governor Brown. Before that, he served as the Secretary to the California Emergency Management Agency. As a Member of the Cabinet, the Director serves as the Governor's Homeland Security Advisor and oversees statewide public safety emergency management, emergency comms, counterterrorism effort, and the state threat assessment. I'd like to tack onto that the reduction of Californians moving to Oregon, but I think that might be an overreach. Governor McCall tried that in the early seventies, and it didn't work out for him.

But the Director has over 30 years of diversified service in public and private sectors, emergency services, fire rescue, and homeland security disciplines.

It is truly a pleasure to have you here today, sir, to grace us with the allocation of your time. I want to thank you for Cal OES has interfaced with FirstNet. The amount of help, advice, instruction, and feedback that helps us refine our efforts has been remarkable.

With that, Director, the floor is yours, welcome.

MARK GHILARDUCCI: Thank you and welcome and I appreciate the opportunity to spend a little time with you this morning. Welcome to California – Sacramento. I think some of you mentioned to me this is the first time you've been here, and you came at a time that we are experiencing something that we haven't experienced for a while, and that's a little wet weather. We're actually kind of giddy over the fact that we're actually getting some rain. But don't be mistaken; it could rain like this for several days, and we're still below where we need to be.

We're entering our sixth year of drought; and it's been interesting because it's resulted in a cascade of issues, of complexities, that we never really sort of understood. You really don't until you get into a slow rolling disaster, like a drought. Of course one of the cascading impacts has been an uptick in the severity and complexity of our wild land fires. I say because – I'll loop back around because it does have nexus to what we're talking about today in being able to have adequate communications when we're dealing with the kinds of events that we deal with in California.

So I'm very happy that you're here, and I'm very happy to have the opportunity to speak with you. I apologize; I'm fighting a little bit of a cold. It finally rains one time and I catch a cold – who knows?

Let me start off by saying that maybe as you all know, California really is a nation state. We're about 40 million people. We've got close to half a million responders at the state and local level. We're bordered

with an international country. We have 11 major ports, and we have tremendous infrastructure. I say all that because I'm trying to build up a framework on the complexities that I face each and every day with managing emergency services and homeland security and public safety communications.

I'm happy that you were able to get a chance to get over to our communications area. You saw the heartbeat of where they do all the work. But of course, we're spread throughout the state. We've got over 58 different offices throughout the state; and they combine closely. We have to have an integrated approach with fire, law enforcement, emergency medical, management; and our approach is not just a government approach. It has to be a public/private, non-governmental (inaudible) phase to be able to address the kinds of challenges that we face here every day in California.

The one thing that we do have here that has really just happened over time because of the huge events that we have; but we have developed, and utilize very often, a mutual aid system unlike any other place in the world. This system is basically designed for all different kinds of hazards, whether it's fire or law enforcement or multi casualty, emergency management. We routinely move, we coordinate, we dispatch assets from local government and state government; we move them in quantified units throughout the state to be able to go in and link in with a local government police chief or fire chief or mayor and provide that entity with all the resources that they may need to make sure they are successful in being able to adjudicate and mitigate a particular crisis.

What we don't want to do is have any jurisdiction in California fail. So this system, which is very flexible but very precise, moves resources from one end of the state to the other and really now has become a system where we also move resources out of state to our surrounding neighbors – Oregon, Washington, Arizona and Nevada – where we share resources. And we've also sent our teams internationally.

This mutual aid system is really the backbone of the way we do business in California. So it's not uncommon to have fire strike teams coming out of San Diego and plugging them into the farthest, most rural portions of Modoc County, which is our farthest northern county, to be able to go in and do structure protection or to do wild land firefighting or to respond to some sort of a crisis situation. It's not uncommon to have resources out of Humboldt County, which is one of our farthest most coastal counties, sitting in Downtown Los Angeles fighting fire or responding to a major terrorist event.

I say that because it speaks to, I think, some of the concerns we have and the challenges you face with making sure that FirstNet, as it gets rolled out, can address urban and rural communities in a way that we, with confidence and reliability, can count on this capability.

The system that I talk about, our system in California, is not something that gets utilized once a year or twice a year or once every other year. It gets utilized every day of every year in California. Now, sometimes we're moving only one or two strike teams; but this summer, we had close to 23,000 fire, law enforcement, emergency management, emergency medical resources deployed simultaneously at multiple fire sites throughout the state of California, where we dispatched them through our communication system; we logistically support them; we apply them through our incident command system to safely mitigate the situation.

Then we demobilize them in a very organized manner, get them back to an operational status – back to their home jurisdiction. We do that under the flag of OES, and it's a system that really is unlike any other; but it's important to us because it's the way that we operate – one team, one fight – all the time here.

So as we look to FirstNet and the capabilities that FirstNet can bring to the table to enhance that capability, we see a lot of promise; but we also have a lot of questions. It's important that you know that we are very supportive of what we're doing with FirstNet. As Chief (inaudible) mentioned, we have and will continue to engage with you all, provide whatever support is necessary; but in doing that, it's important that you know a little of some of the inner workings.

Yesterday you got a chance to see sort of the nerve center of our public safety communications. Public safety communications through Governor Brown used to be in our Technology Agency back a few years. He had them merge into OES; and it was a good merge because if you think about the emergency

management cycle, everything sort of starts and stops with the 911 Center. So the first call that comes in that there's a problem – whether it's a wild land fire or multi casualty, terrorist – it's going to come into a 911 Center.

That 911 Center, that dispatcher, is going to do based on his or her protocol – call out. As the resources get on scene, the incident is identified as more complex and more complex; and the system just goes out, and it expands as it's designed. So here in California, the local dispatch center, the primary answering points are at the city level. Then when they realize that it's a complex, multi challenging incident, go to what we call our operational areas.

Operational areas are counties; there are 58 operational areas or 58 counties in California. We have agreements and coordinators at each level, at the operational level and at the regional level. At the operational level, we use county fire chiefs and county sheriffs in a partnership agreement with us. They kind of wear two hats representing their jurisdictions. The 911 Center dispatcher goes to the operational area and pulls resources from throughout that county. Pretty fast they know whether that incident is going to be more than they need, and they're going to pop that request up to the region.

The region then incorporates a number of operational areas. We have six mutual aid regions in California. So within each mutual aid region are a number of counties, and of course within those counties are a number of cities. Since everything is adjudicated at the lowest level as it moves up the chain, that region chief, whether it's law enforcement or fire – and we have our people embedded at that level. We mentioned Chief Zagaris; he has his fire folks at the region level. We also have our complete law enforcement division as a part of OES. They're handling the law enforcement coordination.

They can then pull resources from throughout that region; and of course, pretty soon if that incident is more complex or you have multiple incidents happening at the same time, they pop that request up to the state; and then we can pull resources from throughout California to be able to respond accordingly. That's all coordinated back through that PSAP; and then eventually when we demobilize and let the resources get back to their jurisdictions, that gets all back so that that dispatcher knows that it's come down to steady state. So it's a full circle of emergency management, going from the first call all the way up, circling back, providing resources, mitigating the emergencies; it comes all the way back down to the 911 Center.

So when Governor Brown sat with me and we talked about this, it was the perfect place to be. Of course the role of public safety communication in California is very critical. We have over 2,000, maybe 2,800, public safety agencies representing maybe about a half a million public safety responders. We are working – we have about 457 primary answering points in California and maybe another 300 secondary answering points. Quite frankly, in my opinion, it's a little heavy and complex; and we're looking at this year ways to streamline some of that activity. We're also looking at next gen 911, and how do we roll into incorporated texts to 911 and video to 911. While doing that, we still have rural areas that are, quite frankly, still on dial-up services.

So we've got challenges that are in front of us, and comes along FirstNet and this great opportunity with this dedicated spectrum. We see this as a promise, but we also know that we have these other realistic challenges that we need to meet. We need to know that FirstNet, of course, can meet our needs. There's a lot of concern that FirstNet really is sort of the silver bullet, I guess you could say, with regard to interoperable communications. All of these resources we move up and down the state support each other through existing interoperable communication capabilities.

Land mobile radio-based – we have this *massive* communications network in California that runs along the backbone of the Sierras. It gives us communications on the far eastern side of the Sierras and then as far down as the Imperial Valley, the border of Mexico, and then all the way up north along the coastline. We have to have it completely covered. California's typography is challenging. We've got the highest of high mountains; we've got the deserts; we've got the coasts; we've got urban centers and rural areas. Having that communications reliability throughout the state that's there all the time, 24/7, to support our higher patrol and our fire, our EMS, our first responders is absolutely critical.

So our public safety communications folks are very busy all the time not only making sure that system is operational – and it's not just one system; it's a redundancy of multiple systems. We've got direct radio communications; we have microwave; we have wireless; we've got satellite. So we've got a lot of redundancies that we're constantly moving back and forth. Some of the system has been upgraded; some of it's new; some of it, quite frankly, is older than I am, which is pretty damn old. But we're addressing that and working to utilize technology to make it better where we can.

Our public safety, our PSE folks, are busy all the time. So as we move into this concept of FirstNet, getting everybody on the same page – as I'm sure you've heard from public safety leaders across the country, public safety people want a few things; and I speak this just from me coming out of the public safety. I've been in fire service my career, and we like simplicity. We like reliability. That's pretty much it. We want to know that when we need it, it's there.

There are a lot of unknowns yet with what FirstNet is and isn't. But they do know that they're wedded to land mobile radios, all of us are. Our systems, our design, our infrastructure are all designed around that. We have been doing and working on projects, like the LA-RICS project, where we are working beta tests, working to move forward with initiatives like LA-RICS, which is taking arguably a very complex part of the state. We're talking about 14-15 million people down in the LA Basin, from San Diego up to Ventura and San Luis Obispo County, to be able to develop an interoperable link through. We haven't really got a clear signal about how FirstNet and the LA-RICS will work together, but there's been a lot of investment in time and money into being able to get that done.

We meet regularly. Again, as big of a state as we are, as many responders as we have, as many incidents as we respond to every day of the year, we are also small in that we have a tremendous relationship between our fire, our law enforcement, our medical. Our agency, as the coordinating agency, we pull all those groups together on a regular basis. We are stakeholder driven in our decisions, just as in process; in the ability to build standards; training; capability. It doesn't come from Director Ghilarducci and I push the button; it doesn't come from that. It's driven together; it's a collaborative approach to being able to address all of those things that I just mentioned.

It works very well. On the fire side, we have FIRESCOPE, the Firefighting Resources of California Organized for Potential Emergencies that are looking at all things fire-based. It is the entity that drives how we operate in California fire service. You can imagine, as you can understand, with the kind of fire activity that we see here, the number of fires, if we did not have very tight, specific standards that we're all operating off of with communications coordination, PPE, we would have firefighters that are killed; and we can't have that.

So with all of the kinds of things, it's really amazing. Aircraft – we've got a huge Air Force here of firefighting aircraft and EMS and search and rescue aircraft. We have a 23,000-member National Guard. All of these entities at the time, and we regularly use them all in this one team/one fight approach. So these standards are really important; and reliability and having confidence that we're moving into an appropriate way is important.

We developed the California First Responder Network called CalFRN. It's a group of 13 additional agencies that are pulled from fire and law enforcement, sheriffs, police chiefs – which by the way, in California, our 58 sheriffs are all elected, very powerful. I meet with them – I don't know – a lot; I'm with them all the time mostly because those guys have great dinners and they know how to do it, I've got to tell you. They always meet at really cool places – unlike the fire chiefs; it's a little more subdued. I don't know what's up with that.

So we have these stakeholders. Police chiefs see things differently than the sheriffs. Sheriffs are more regionally based. Police chiefs are looking at – what's right in front of me, what's right in my jurisdiction in front of me, and how do I deal with that? They're more conservative when it comes to thinking. Because of the regional nature of a sheriff, sheriffs are thinking, "This can work much better, much more efficiently regionally," whereas police chiefs are like, "Hey, don't move my cheese," so to speak. "Here are my jurisdictions, my four square miles. I have a PSAP; life is good."

So I have all these PSAPs. We talk about using technology and using capability to move into a direction where maybe we don't need 457 PSAPs. The sheriffs are like, "Yeah." Police chiefs are like, "No, I don't think so." So we work through that on a regular basis, and the CalFRN is an important piece of pulling that together to help build out that capability within FirstNet.

I get a lot of questions about FirstNet. I'm serving kind of as the Spock; is that what's called? It's very Star Trek; my little ears go up. But it's really to ensure that at the highest level in California the sheriffs and police chiefs and the fire chiefs and the EMS directors, the emergency managers, understand that at the highest level we are on this; I am focused on it; and that I'm listening to what they are saying. It gives them an opportunity to pick up the phone – not that they don't call staff all the time – but to call up the director and say, "Hey, listen, I have a real concern with this," or "Where are we going with that," or "One of your staff people said something like this," or "A FirstNet person came to our Board and asked for something," and they pick up the phone and call me – very, very tight relationship.

I would just tell you, I think everyone who I've talked with in the different groups see the benefit. I would say that it's kind of a wait-and-see what that means. I've talked with Mike; Mike has been good, comes to the office and has met with me several times. FirstNet is not going to do away with land mobile radios – maybe not in our lifetime, maybe down in the future. Speaking of Spock, who knows what the future of communications is going to be like, right? I'll be long gone, which is fine; I'll be communicating in a different way. But in the future, the sky is the limit.

But now, in the paradigm that we face, in what we're used to – and that thing I talk about, reliability and simplicity – how we convey and get buy-in is important. So these are some of the questions. I'd like to share a few questions, a few challenges that locals have brought up with me.

There are a lot of unknowns, particularly on local control. You've probably heard all of these, and I may be reiterating what you've already heard; but they're for you to hear from me because I hear from them: local control, estimated cost of the network in the long run and network uses. I think everybody was a little bit surprised, quite frankly, that initially it was like a spectrum 100% dedicated to public safety. Then as it evolved, it became spectrum that was going to be shared with non-public safety, but they would have preemption capabilities. That in itself was like who is going to operate that, and who is going to make the decision? How long will it be preempted? Is it the locals that preempt, or is there somebody behind the curtain pulling the levers, preempting? Here, things ramp up so fast and become so complex so fast that how do we do that? So those are areas.

There have been discussions on prototypes and betas as we roll out this. We currently are doing betas in certain parts of the state with texts to 911, and then soon it will be video on 911. Video to 911 alone opens up a whole new Pandora's box on what does that mean for dispatchers to now be getting a call and listening to maybe a crime going on to now actually seeing a crime taking place – a murder or some other kinds of an event that's being filled. What does that mean for the dispatchers? We're not really sure yet how we're processing all of the impacts that our 911 dispatchers are going to have and what kind of training is going to be necessary for that.

We want to make sure that as FirstNet rolls through, it is consistent and ties into our efforts with next gen 911 so that we can – I guess I would say, and the way I've been sort of describing it to sheriffs and police chiefs and others is that that FirstNet provides an opportunity for us to have another tool in the toolbox, particularly for moving data.

I also have this responsibility of statewide homeland security and the security in California. There's a lot of work that we do through our six intelligence centers, where we're having to move data around through lots of different ways; but certainly FirstNet could meet a need that we're looking at the future where eventually every police officer can get data on criminal feeds and photos and all that different kinds of stuff. So if they're getting it right away or firefighters can get plans and other kinds of things as they're rolling up to the fire, et cetera, we want to make sure that from a rollout beta prototype that that could be integrated well.

I mentioned the LA-RICS infrastructure and sort of what we've been doing down there and working with LA-RICS and that whole process and the ability to look to that infrastructure as sort of like a beta for California. I think that we understand that California is complex in its size, its topography and how that's going to address it. I've heard that really FirstNet capabilities in California were really – I mean, I guess you have to determine what's urban and what's rural, but whether there's a value of capability, like it's up in Modoc or up in Humboldt. I just have to tell you as I started off with, it's not uncommon to be sending resources from urban cities up to Modoc. So the bottom line is that, yes, if we're going to do it, you can't have it work in one part of the state; and then we're moving all our resources to another part of the state, and it doesn't work. It's got to work for the state – not rural or urban, but all of the state for us to bring in that reliability that I spoke about as well.

There are some questions that the dispatch community have shared with me. As many of you may have heard again, "How does the proposed network go from the citizen to the dispatch center to a first responder?" I get to ensure continuity of voice and data, and some of this is just information for you to maybe help you when you're going out and doing your presentations to clarify some of these things.

Is the Act the FirstNet must integrate with next gen 911 but there's no mechanism in place to ensure that that happens – and some of this maybe because it's misinformation with what the ACT is and what it does versus what they're thinking it does -- again, the importance of making sure that it supports our mutual aid capabilities.

This past couple of weeks ago, we did put an RFI out. The RFI, just to make sure that none of you fell off your seat when that went out, the (inaudible) has no intention of undermining or going in a different direction from where we are with FirstNet. But to sit in front of Governor Brown with one option, as the Governor will tell you I'm sure, he'll say, "Did you look at anything else?"

So we're getting options – what is out there – to give me an opportunity to describe and frame the issue of FirstNet. The bottom line is that it's important for us to know what is out there, and what are people doing. So we've put a request for information out on capabilities that are existing.

I won't lie to you; I'm a little concerned. We've had AT&T come; we've got a lot of the private groups come to us, and everybody has got a silver bullet. I always have to chuckle when there's a silver bullet recommendation because I know that doesn't exist; but I'm also knowing that this is a lot of money, and it's a big deal, and what kind of manipulation can take place by some of these private entities.

Now, AT&T is a good partner with us out here; and they provide, I would say, the lion's share of our public safety communication support. There are a variety of others, but AT&T is very instrumental in our 911 centers, et cetera. But also, does it come without some kind of a challenge with AT&T? So the concept behind the RFI was to kind of see all that, get the options, give me more information as the Spock, and being able to consider where we're moving forward into the future.

The other thing is that we're – of course, you've probably heard about as well in your travels as we've seen more and more of this from a security standing is cyber resiliency in the network and ensuring that if we're moving particularly data, and particularly law enforcement data, across the board, how is that security on that going to be made available. We believe it should be at the level of the criminal justice information services and then also the Health Insurance Accountability Act standards. Those are standards which we're currently using. Although we think about these really strong standards that are in place, yet things are getting hacked all the time. So the bottom line is I understand we have to have a standard and we have to continually improve it and nothing is perfect, but we want to ensure that that is there and how that will address it. So the cybersecurity piece of it is very important for us as well.

We could talk a lot today, but I think I kind of framed for you that California is unique in many ways. It depends on what audience I'm always talking to when I say that, but it is unique in its size and complexity. It's unique in its population. It's unique in the urban and the rural areas. It's unique in that we have an international border, significant security issues that are faced here.

A communication network like this – we understand we need to move forward and incorporate and invest in new technology and the next technology. I think we've bought into the concept that FirstNet is a great capability to move it forward and to do that technology and to help us set the future, but we ask that you consider that we're not a flat state where communications are easier. We've got the Sierra Nevadas, and we've got a lot of area that needs to be addressed; and we have this system that we absolutely must build around and build to, and that is the support. Really, it's one big system of responders that we at OES are moving around and dispatching and coordinating on a very regular basis; and that's how the FirstNet system should be built to that.

I appreciate your time. I appreciate your tremendous effort -- this is a heavy lift -- and all of your service to the country on this issue. I know that with our innovation as a country and all of your capabilities, we'll come out and build the greatest system that we can. With that, I'd be happy to answer any questions; and again, just thank you very much for your time.

SUE SWENSON: Thank you, Director. I just have a couple of comments. First of all, I appreciate your candor, and I appreciate you being specific about your concerns. I don't think those are unique, but I appreciate you reiterating them. Let me just reinforce the issue of coverage. When Karen was still here, I actually went to a Town Hall up in Humboldt.

MARK GHILARDUCCI: Okay.

SUE SWENSON: The day that I was actually presenting to the Town Hall, we went into town – and Sue Platte knows this too – we were going into town, and there was a huge fire engulfing about a block of buildings; and so all the firefighters were out that morning. It's almost as if it was staged for this Town Hall. Then while I was presenting to the Town Hall, we had an earthquake.

MARK GHILARDUCCI: And that was staged.

SUE SWENSON: So the point of this is that we have, over the last four years, really tried to get out and understand the needs, to your point of what's really happening out there. Let's not hear it through somebody else; let's see it in person. So the Board and management, we've been spending tremendous time out with your people and the people in every state, understanding the unique needs around the state. So I just want you to know that we appreciate your comments; and we resonate with those, and they're top of mind.

The other thing is on the issues around how we're going to do this, you know we have a Public Safety Advisory Council, which is chaired by Chief Harlin McEwen; and he'll speak a little bit later. But we have representation of I think about 40 different entities on that Public Safety Advisory Council. Interestingly, issues like local control and all these kind of everyday things, we're moving from 30,000 down to ground level. How is this going to happen?

What I appreciate what you've done in California, I think with some of the things we've been dealing with the PSAC is how do you integrate all of these disparate resources in a way that it works effectively. I think what FirstNet has done – you, obviously, are ahead of the curve – but what FirstNet has done is instead of taking a lot of individual vertical organizations, you've actually kind of looked at it horizontally and said how do we integrate and move these resources around. I know that the PSAC has had lots of conversation about that, and I think it has stimulated that conversation even more than probably organizations have done. There's more work to be done there because, obviously, when you have, as you know, all those disparate organizations, it's hard to coordinate that.

The last comment that I have is on LA-RICS. Chief Johnson and I, as you probably know, that was one of our first meetings actually with Pat and the team down there. We have learned a tremendous amount through your project, through the projects that we've had throughout the U.S. I think that has been particularly useful for us just from a network perspective, from just the challenges. People who haven't ever built a network before don't understand. It's not like building a building, you know? There are lots of issues with putting cell sites up that sometimes people don't understand. So those have been very, very useful; so we really appreciate your support in California for that project because it has been very, very

instructive. In fact, the learnings from those projects were actually built into the request for proposal. So that was very useful – not just sort of projects that we are learning from, but the information was actually poured into the RFP.

So we really appreciate, again, all your comments and take them to heart. Our whole effort – I appreciate also the consultation work that we've done in your state and all the people that have come because we want to hear from the practitioners, the people who are on the ground day to day; and we want to build a network for those folks, and that's really what our mission is. So I just wanted to comment on that.

MARK GHILARDUCCI: Thank you very much. As you know, Pat now is working heading up Public Safety Communications.

SUE SWENSON: Exactly, I know; we saw Pat yesterday.

MARK GHILARDUCCI: So you can kind of see that, and it gives us an opportunity to take you to the LARICS and look at the big picture. So try to get the right people – as Chief Johnson said – the right people in the right place at OES. As I say many times, I'm just the eye candy; it's really the folks in the organization that do it; and I'm so proud of our folks. I have a great team of folks at OES.

SUE SWENSON: You do – very impressive. So thank you for being here today. Any questions or comments by other Board Members?

[No response]

SUE SWENSON: Well, thank you so much.

MARK GHILARDUCCI: Great, thank you very much. Appreciate it.

SUE SWENSON: We're going to turn to, as I mentioned, Chief Harlin McEwen. As I think everybody knows, the PSAC is an Advisory Council to the Board and has been around since the inception of FirstNet and has just done some tremendous work.

I think we've done, Harlin, some very practical things that I think the practitioners actually are quite interested in. So I think you have an update for us today.

HARLIN McEWEN: I do, and I want to thank you and the Board again for the opportunity to be here today. For those that may be watching and don't know the history, three months after Sam Ginn was appointed the first Chair of the FirstNet Board, he appointed me as the Chair of the PSAC. Shortly thereafter, he appointed four other Vice Chairs, which serve as the Executive Committee.

This has been a very important history for us to be involved, as Sue has mentioned earlier. I show you a picture of the PSAC. We are now at the level of 43 members; and these organizations represent not only the core public safety – police, fire, EMS kinds of services – but state and local and Federal Government. So we have all levels of Government. We have the Conference of Mayors; we have the Association of Counties; we have the League of Cities – all of those kinds of organizations. So this PSAC really represents as wide a possible representation of advisors to you as possibly could be.

In the front row of this picture are the five Executive Committee Members. I just wanted to mention that, unfortunately, three of the Executive Committee Members aren't with us today. Paul Patrick had a minor surgery procedure that he had to undergo yesterday. Jimmy Gianato from West Virginia, representing the National Governors, tried desperately to get here; but his flights were canceled. Then Niles Ford, who is the Fire Chief in Baltimore City, has a new mayor and undergoing a transition there; and he has to be there because of that transition. But they're here with us in spirit, and they just wanted you to know.

The other member is Tom Sorley, who is here with us in the front row. So we represent the five disciplines, so to speak, of the PSAC.

I did want to mention some of the things that the Cal Director pointed out and that you so appropriately keyed up. That is that the issues that the Director has raised are all issues that the Public Safety Advisory Committee is well aware of and has been addressing for the last two or three years. So we have the answers to those issues that were raised this morning, and our biggest challenge is making sure that we get people to understand what we believe the answers are as much as we can prior to the selection of a partner. So I think we're way ahead. I just want the public and those present today to understand that those issues are dear to our hearts, and they're not something that we've ignored. We have a pretty good sense of how that all ought to work.

I just wanted mention that we have five new members of the PSAC. The PSAC is just like any other organization; it's constantly changing. People move on; they get new positions; they come and they go. We have to keep that refreshed so that we have the latest appointments.

We have Lieutenant Billy Freeman from the Memphis Fire Department, who represents the non-management, the supervisory people. We have Mark Grubb from the state of Delaware, who is a member of the SAFECOM Executive Committee. We have Supervisory Special Agent Mike Gilmore from the FBI representing the U.S. Department of Justice. We have Acting Associate Chief Kraig Moise from the U.S. Department of Homeland Security Customs and Border Protection. And we have Commander Steve Smith of the Los Angeles County Sheriff's Department representing the major city chiefs. They're all fairly new members, and we keep this constantly refreshed.

There was some mention yesterday about the Federal activities; in fact, I was talking to some people here earlier this morning. The fact is that we understand – people have to understand that this network is basically designed to serve state and local public safety; but it was never intended to ignore the federal needs. So the spectrum basically was designed to serve state and local needs with an understanding and support from the police, fire and EMS community that we need to interact/interoperate with the Federal sector.

We have been a little slow, but we're now in the process of forming a Federal working group, which the Board has approved; and we're in the process. It's unfortunate that we entered into a time right now when there's a transition in government because we're trying to identify people representing various Federal agencies to serve on this, and some of the agencies are reluctant to make those choices knowing that there's a transition going on. But we'll get that done early next year, and that will move us forward getting the Federal sector more engaged than they have been up until now. But I think that's important to know.

On the tribal working group, they recently met. We had a meeting in Boulder. It's difficult to address 556 recognized Federal tribes in the country; and we made a conscious decision that we couldn't have a committee of 500 or more people, so we chose a different way of doing this. We have about 15 members who represent groups of tribes in various settings of associations or organizations, and we are dependent upon them to get the word out and to get feedback from the other many hundreds of tribes to give us the best advice we can possibly have.

So we're working our way through that; it has not been without its challenges because of what I just said, but our intention is to really move that forward. We've been working with staff; they're in the process of developing a tribal consultation policy, which eventually I'm sure you'll see. Hopefully, that will also be a benefit to the way we're trying to deal with outreach to the tribal community.

We have an Early Builder Working Group. As you know, that Early Builder Working Group is made up of five members of five organizations that have spectrum lease arrangements with the Board. LA-RICS has been mentioned several times here. We have a new leader there, John Radeleff, who is actually temporarily serving as the director after Pat Mallon left; and we have a new member, Steve Tappus, from New Jersey representing them after Fred Scalera left. Of course in addition to those, we have the Texas Project, the Adams County, Colorado Project; New Mexico Project. So those are two new members that we're dealing with.

On the Early Builder projects, I'm not going to go into great detail; but I think it's good to look at this chart a little bit and understand what is it they're doing, where are they? LA-RICS has a planned number of sites of 77; right now they have 61 on the air. New Mexico has planned seven, and they have seven on the air. New Jersey plans for 32, and they have 31 on the air. Ed COM, 20 and 19 on the air, and Texas, 93 with 24 on the air. So it gives you a sense of where they are. All of that will depend upon who the new partner is and how that will develop into the next stage of the process and how they will fit into the scheme of things. But I think the fact that we've been having monthly meetings with that group has been very helpful to you, the Board, and to us, the PSAC. Todd Early, I think is here today; and he has been very helpful in managing that.

We currently have a User Profiles task team in operation. We were given that task by Rich Reed, the Chief Customer Officer, earlier this year. That was intended to be a quick turnaround, and we're planning to meet with that group again tomorrow afternoon here and to develop the final recommendations and the core information for a report to the staff and the Board before the end of the year hopefully. So that is underway. I think it has shown us the challenges that we have; in other words, the director asking some of the key questions he asks – we're really getting down into the weeds to actually answer some of those questions. And how do they work? What kind of information do we need from a potential user in order for this network to dynamically decide who needs priority when and how that is all going to work.

So we're really struggling – I don't know, I wouldn't stay struggling – but we're in the process of identifying that kind of information. I think that's exactly what you expect of the PSAC, and that's why we're valuable to the process.

The last thing is that we're now developing our focus for 2017, and we're working on drafting – we have one more task that Rich has given us, which we will be addressing the PSAC right after the first of year; and we're developing our plans for the coming year to continue to give you best advice that we can possibly do. So thank you very much.

SUE SWENSON: Thank you, Harlin.

One of the things that has been a challenge for all of us – you heard the number of first responders that are in the state of California; multiply that by every state. We have a relatively small group of people at the PSAC working on these things. Getting that information out, I think, has been a real challenge for us so that people know, one, we're aware of the issue; two, there is representation working on those things. Has there been any discussion about how to – I know we're trying to work through all of the different public safety organizations to do better communication – any further discussion on that so that that information and the work that's being done by the PSAC can be received and in a way that people can understand it? Because you know, you have the benefit of talking for hours about it; and then you try to create a communication where somebody has got a job to do every day. It's not an easy task. I'd just be curious—

HARLIN McEWEN: It is not, and that is part of the tasking that Rich has just given us to undertake right after the first of the year. We've had many, many conversations with the FirstNet staff, both at the CTO level and at the Headquarters level. These are the kinds of things that I think between the staff and the PSAC EC in particular, we have a fairly good understanding of what still needs to be developed and needs to be done. So I think we're cognizant of the issues and the challenges.

Can I make one more mention?

I'm kind of proud of one thing, and I mentioned Paul Patrick isn't here today. But if you remember last year at this time at the Board meeting, I mentioned that one of our Executive Committee Members, Tom Sorley, was getting the DeMello Award. Well, this year Paul Patrick got the DeMello Award; and I got the first one. So three of your members of your five Executive Committee members have received this. I just think that's a recognition of the quality of people.

SUE SWENSON: I guess we've got the right people on the PSAC, right? Congratulations to all of you; I mean, that's quite an honor so I appreciate you mentioning that.

Rich, I don't know if you have anything – or even Jeff or all of you people who work with the PSAC around this whole communication issue and other opportunities. It is a challenge.

RICH REED: I want to thank everybody who participants in the PSAC. Their commitment – I mean, this is a volunteer organization. They spend significant amounts of time, personal investment. I know Harlin, specifically, is on the phone, engaged on e-mail, for probably about 60 hours a week of his own time. So I can't tell you the level of commitment this group and the value they provide us in terms of content, opinions and perspectives. It's an outstanding organization, very well led; and I appreciate all the investment they make.

JEFF BRATCHER: I'd like to echo the same sentiment. I know my staff in their interaction with the PSAC, it's critical for their understanding of the operation side of public safety; and it helps them think about different approaches that may be in the traditional wireless and telecom space they hadn't thought of before.

So we really appreciate it, Harlin, and the full PSAC and their commitment and dedication to working with us on that, so thank you.

SUE SWENSON: Great, thank you, Harlin -- more work to come.

We're going to go through quickly the Committee reports. I'd just report that yesterday the Governance Committee just talked about the resolutions that they process during the year and then through the ordinary course, the normal personnel and administrative actions, whether it be Board Members or performance reviews. So that's really what the Governance Committee was up to last year.

We're going to ask James Mitchell to do a brief update on the new organization within FirstNet that was just recently stood up called the Network Program Office, and a quick update on what that's all about so that people know that we're up and ready to go as soon as the checkered flag is put down.

JAMES MITCHELL: Sure, thank you, Madam Chair.

Yesterday we spoke a little bit more in detail about what the NPO is. Essentially, we stood up the NPO as the office that will manage the engagement with the partner and work with CTO and CCO to really operationalize the contract. I say that in the future tense, but we're actually working today. We're doing use case development; we're building exercises and scenarios that we think will happen post award. We're doing that with everything in mind that when we get to Day 1, we're ready to go. I think I used the term "day zero" yesterday, and that's really where we think we are.

We've spent a lot of time hiring folks with that mentality, people who have come from large projects who have done this sort of high risk/high visibility program but who are also incredibly flexible. I think that's sort of a FirstNet culture that we've built; folks are expected and sort of assume that when you're hired into this position that you're going to be ready for anything. It's kind of fun to watch new folks come on the same time that new proposals come in. That's a nice learning curve for folks when they come on and they know more about FirstNet than we do sometimes because we've actually gotten a lot of attention, and we've gotten some really good notoriety from staff coming in. So we get excited, and we have people that are excited to come here every day; and we're just ready.

With that in mind, CCO/CTO/NPO have been standing up task teams to sort of across the organization tackle the task order structure and the RFP, which then will be contracted too, obviously. These are large task orders; these are not small plans. Right out of the gate, we have state plans. We have the portal that we're going to be developing and delivering to states to make those decisions and deliver their decisions before we move into the actual deployment of the Radio Access Network. And then there's the core services behind of all of that. It's a massive project; and so with that in mind, we've really partnered together with the right people. We've got some folks that we're bringing on in the next year as we stand up the contract, and they're ready to go.

SUE SWENSON: Mike, I don't know if you have some comments; but I know based on your experience and the world you have come from, this is a pretty typical structure. Maybe just a few comments from your experience because I think you've been a real proponent of this.

MIKE POTH: Right, it's critical that we update infrastructure, and have people and processes in place because this is a very complex project – 56 states and territories -- but the implementation, the roll out, the touch points that are all required to make sure that it's going off on a timely basis. I'm very comfortable and confident with the structure and the organization now, with the NPO leading the contract efforts, a lot of experience that we've drawn from the private sector and public sector and public safety to make sure that all three of those voices are constantly heard and assessed every time the contract moves out. We are not just going to award a contract and sit back and hope for a miracle; it is going to be truly a partnership with the awardee to make sure that we're meeting and exceeding all the expectations of not only the state and local and public safety, but also this Board.

SUE SWENSON: Any comments or questions from the Board about the NPO? We kind of reviewed it in detail yesterday. I'm really pleased about the structure because it really shows that we're really thinking ahead and planning for it; and this is what a typical public company would do in a big project like this. So I'm really glad that we've been able to construct an organization that looks similar to what I'm used to doing, big projects, and I think what Mike and others who have done these sorts of things have done. So congratulations for getting that up and ready to go; the horses are bridled and ready to take out on the road.

MIKE POTH: Right, and we promise not to use too many horse analogies; but I think we'll probably just go – absolutely.

I think this is going to be a model that other parts of the Government are going to look to with the public private partnership. This is a huge infrastructure project, and while it's huge, it's certainly manageable when we just kind of, I call it, "chunketize" it down to manageable pieces – very technical term.

SUE SWENSON: Yeah, I know, I like the way you make it pretty simple to understand.

Governor Douglas, I think you're up with the Finance Committee. You've got a couple of resolutions to bring forward.

JAMES DOUGLAS: Yes, I won't repeat what I reported to the Board yesterday on the activities of the Committee during the past year. We, of course, were active in preparing the budget for FY17, monitoring performance against our FY16 budget, working with Kim to interact with outside auditors; reviewing the RFP; and presenting that for the Board's consideration – doing the same with the Boulder Lab lease. So we had a very active year.

I want to ask Kim to offer some highlights about the work of the Office of the CFO, which has been enhanced substantially during the past year, professionalized. We've got a great team there who are ready to hit the ground running when the award is made for our network operator. So I'm really pleased with Kim's leadership there.

Kim?

KIM FARINGTON: Good morning, everyone. Thank you, Chairman Douglas.

We actually in CFO have been doing amazing things that are usually flying under the radar. We've established our financial management regulation, which did not exist previously. We've established a framework for an investment review board, as Governor Douglas spoke about. We are doing great with our audits. We received a clean, unmodified audit opinion for FY15; and we anticipate so far things are going well for an FY16 clean opinion as well.

We've also operationalized our enterprise-wide managerial cost accounting environment that we've been envisioning over the last year. So we're really doing a lot to support the efforts of FirstNet and make sure that we are successful and operational, and also working very heavily towards that financial independence in the future.

With that, what I'll do is share with you a little bit about the budget to give you a review of the FY16 budget as we ended the year on September 30th. What you see here is a cumulative view of FY16 by month, both the obligations and expense budgets. The \$126 million was our obligations budget for FY16, and we ended the year utilizing \$104 million of the obligations budget. That was predominantly due to our good efforts by our Grants Team to actually bring the Spectrum Relocation Grant estimates, or actual, down by 33% compared to what we originally estimated – so kudos to the Grants Team.

We also looked at our contract that we especially had planned in the fourth quarter, and we've actually adjusted the scope as we've become more operational, which actually consciously saved us money, I think, as we move forward and adjust those scopes to reflect how we're moving forward now that we know more about becoming operational.

With regard to the expense budget, our expense budget for FY16 was \$92 million; and we ended the year utilizing \$71 million of that \$92 million. That was predominantly due to those contracts that we did not award not expensing during FY16; but the good news is, as we've shared with you before, those expenses do carry over into FY17. We also knew as we were obligating those contracts earlier in the fiscal year that some of those expenses would roll over to FY17, so that is good news that we can still utilize those expenses in future years.

JAMES DOUGLAS: Thank you, Kim, very much.

We have a resolution, as you indicated, Madam Chairman. I won't go through the details that we discussed yesterday; but as we continue to mature and professionalize as an organization, we have a strong management team to which we're comfortable delegating more authority in terms of expenditures on an ongoing basis. The Board will recall in our August meeting, we adopted a resolution to delegate to Mike and his designees authority to make expenditures up to \$10 million above which they would be reported to the Finance Committee for our review and possibly further referred to the Board. Anything over \$25 million would come to the Board; any commitment over five years would come to the Board; any real estate lease would come here as well.

So we adopted that in August, but what we need to do now is amend the Finance Committee charter to be consistent with that resolution. On behalf of the Committee, I'll offer a motion to that effect and invite our Secretary to read the resolve clause.

KAREN MILLER-KUWANA: Thank you, Governor Douglas.

"Now therefore be it resolved that the FirstNet Board, having reviewed the recommended revenues to the FirstNet Finance Committee charter, as proposed by the Finance Committee, hereby adopt the revised and amended charter of the Finance Committee, as presented by the Finance Committee, a copy of which is attached hereto as Exhibit A."

JAMES DOUGLAS: That's a motion. Go ahead; it's a Board meeting, so go ahead.

SUE SWENSON: Okay, I wasn't sure if you were going to do it or me.

Having heard (inaudible), any further comment?

All those in favor, please signify by saying "Aye."

MULTIPLE VOICES: Aye.

SUE SWENSON: All those opposed, same sign?

[No response]

Any objections?

[No response]

Motion has passed and we'll put that on the record.

Thank you, Governor Douglas.

I would just like to make a comment about the transition of the Finance Group into moving into a real operational mode. That is, we've been focused on managing our obligations and expenses over the last number of years. We'll be moving soon into more of a P&L; we'll actually have some revenue and then some expenses on that.

Governor Douglas and Kim, I think the work that you've been doing over the last year is really going to position us well for moving into what will be in a typical company; and that is running a P&L. I think we're well-positioned; and you've put a lot of good processes in place that you would typically see, I think, in a public company, so I appreciate you setting that foundation – appreciate it very much.

Yes, Kevin?

KEVIN MCGINNIS: Just a quick question for you, Kim, or maybe Governor Douglas. We've heard the steps that are being taken to move from planning into implementation, and I'm more and more confident every day that we're going to be able to pull that trigger on Day 1 with a new partner. I think things have been really well thought out.

One area that I get asked about is, "Well, what happens to FirstNet staff once we have this partner on board? What happens to the budget? Is it going to become less or more or what?"

Can you just remind us because obviously we've talked this out for FY17; we know what's going on there. But through the rest of FY17, a partner comes on; we go to the end of FY17, go into FY18. What do you project that budget picture to look like, given the cap and whatnot?

KIM FARINGTON: Sure, with regard to staff, we've been very strategic in how we approach staffing, as we have all aspects of the budget for FirstNet. We've actually utilized term positions knowing that we will be adjusting in the future, so that has given us some flexibility. We're also utilizing contract staff to support our efforts until we know what our future staff organizations will look like permanently. So we have taken that into consideration.

We are also looking at utilizing other staffing opportunities, such as internships and Presidents/Management Fellows Programs – different programs so we don't have to be confined to staff permanently over a long period of time.

With regard to the budget, we are operating as utilizing a zero-based budget every year because we want to make sure that every dollar that we utilize and put into the budget is well-spent and worth its value and fully supports the mission. So by utilizing the zero-based budget, we actually look and ensure that every dollar we're putting towards that budget fully supports the strategic goals and objectives of FirstNet that we've laid out in our five-year plan. So we will keep doing the zero-based budget to make sure that all dollars are spent wisely and adjust accordingly.

MIKE POTH: One of the ways to think about it is – they always say I talk to loud – but as Sue mentioned, we're in a profit and loss mode now; and I'm fanatical about maximizing the profits for FirstNet. How that is realized is by keeping our costs extremely low. I feel pretty comfortable and confident that the core infrastructure and the costs that you see typically around this \$80 million to \$85 million a year is probably going to be the size. We're not going to allow the organization to grow into this huge, (inaudible), loaded down organization because any dollar that we save, we're going to be able to come to the Board for the

Board to make decisions on reinvestment back into the network.

So we're fanatical about it; and you've already seen, we're under running on budget. We really focus to save every possible dollar. So if we can come to the Board with reinvestment recommendations back into the network, that's the profit that FirstNet's going to have. As it's been pointed out in other meetings, \$7 billion doesn't go as far as it used to; so we need to do everything we can to extract as much excess profit from our revenues. The one way is to really control our costs, and the Board is going to have a big role in that -- every year, the Finance Committee and the whole Board, through the finance and the budgeting process, to improve our annual operating budget.

JEFF JOHNSON: Mike, just for clarification because we live this every day, we know what we mean when we say things. I'm going to ask you to clarify what you mean by profit and what reinvest in the network means. What does that mean? Does it mean like nicer tables, nicer hotels? What does that mean?

MIKE POTH: That's a good point. We definitely keep our costs down, and Kim and the Leadership Team have installed some rigor into the process. So the profit that we're going to have is that dollar above our operating costs. We're going to reinvest that through your direction and guidance back into the network, whether it's with increased technology, expanding rural footprints -- all those types of things. There is not going to be reinvestment back into the FirstNet organization; it's the excess revenue that's going to be reinvested, at the Board's direction, year over year, for the next 25 years, back into the network. As Director Ghilarducci mentioned, who knows what the technology will be in 10 years. So I'm kind of excited to see what will be presented to the Board 10 years from now for part of that reinvestment strategy because we have X amount of millions, if not billions, available to reinvest.

JAMES DOUGLAS: I have a little to add. Obviously, implicit in Kevin's question was the statutory cap on administrative expenses, and Mike and Kim are laser focused on making sure that we live within that. As Mike noted, our budgets have actually declined over the last couple of years. So I think there's a lot of appropriate scrutiny, as we would expect in a private organization, to make sure our expenditures are necessary and constrained. So I've been very pleased with the way the team has approached this.

TJ KENNEDY: I would just add one thing to Kevin's specific question. I think one of the things we've done from the very beginning is instill a real flexibility in the staff and making sure that we take the talents -- the human talents that people have -- and apply them operationally in where we're going. That's what we've really seen. If you look at roles that some folks had two years ago and the roles that they play today, they're different; and we're really trying to leverage that real human capital talent that we have on the team. At the same point, if it's not the right fit, it's not the right fit.

On the administrative side of the house, I think one of the great things -- we've tried to make sure we didn't build the kind of typical infrastructure you would see in a federal agency. We don't have large administrative staffs; we don't have a lot of -- building too big of an organization that it's going to hit us on the administrative side. That's been a key element of the cap that's very important, and we've focused on those operational people that are going to make the public/private partnership work and those that are out talking to public safety and making that happen every day.

That's really critical, and we're going to continue to do that in that public/private partnership going forward. It's really about being lean and flexible in making that happen. So I think that's really important to your question -- really trying to make sure that we have the right talent in the right places and the ways that are going to make FirstNet and public safety successful in getting this network deployed quickly.

SUE SWENSON: For those of you who have been around a space like this, and those on the phone probably have seen it, there are typical benchmarks against how much you spend against the revenue you produce in a particular area -- so whether it's G&A, whether it's R&D, or whether it's sales and marketing. So we'll probably start looking at some of that. I think conceptually we're there today in terms of thinking that way, but we'll be able to have quantitative data that tells us whether or not we're sized appropriately and, as TJ said, really trying to see how you can evolve the organization and have them move into other developmental opportunities instead of feeling like you're stuck in one place. I don't know if that answers the question, but I think we're in a good place for that.

KEVIN MCGINNIS: I think that's another excellent example of why having industry folks, like you, on the

Board works.

SUE SWENSON: No, I think we're in a really good place. I think we're ready to go on to Neil, the Technology Committee update.

NEIL COX: Thank you, Madam Chair.

Yesterday we talked a little bit about the Technology Committee. I'd like to really say and commend the FirstNet management on creating an outstanding technical operation in Boulder, Colorado, under our Chief Technical Officer Jeff Bratcher. This organization is staffed, trained, and ready to go on Day 1 with our partner to ensure that we can deploy this network and that the applications that are mission-critical are going to run on it – so great job in getting that up and running.

The other thing we talked about a little bit in the Technology Committee meeting was the RFP process and the outstanding job that the Technical Team did on that. By reaching out not only to the Public Safety Advisory Committee but the states, and not only technology experts on this continent but technology experts from around the world who are looking at the same thing in their countries on how to deploy networks like this.

So by doing this, the Technology Team assured in the RFP that we're going to have the coverage that is necessary because this is very important for first responders – is to have the coverage they need.

Second, and we don't talk about it a lot, is the hardening of this network, to make sure that this network will withstand what first responders need in the case of an emergency. Then we have the whole ecosystem and, most important, the priority and preemption. So all of this was placed in the RFP to really make the lives and the jobs of our first responders better and safer; but also, this will impact every American citizen, this network, when it's deployed.

We talked a little bit yesterday about the – and I'm going to have Jeff go into this in more detail – but we launched last month, or opened up, our Innovation and Technology Test Lab in Boulder, Colorado. Now, this will speed the market devices, which is key to make this work because there are going to be a lot of new devices that most of us can't even envision yet, that will come onto this network once this network is built.

But the most important thing about this network are the applications, and that's what's made us all use smart devices. I've been carrying around a wireless phone since 1985, but the applications that converge various databases, that's what makes these things work. We push an app and it works. The apps that we'll develop for first responders are going to go into databases that usually people don't have access to. We will develop – and this network will evolve into these applications that first responders will use.

As I was listening to our guest speaker this morning, these applications are worthless if they don't work; and this priority and preemption of this network is key, and how it's administered is key. I was just sitting here as I was listening to our guest speaker today; and I've been asked several times, from a variety of experts, why do you need priority and preemption? You've got all these cellular networks out there; when would you ever need priority and preemption?

Well, we just had an event; and it wasn't an earthquake, it wasn't a fire, it wasn't a terrorist attack. It was a parade – the fifth largest gathering in the history of this world was a parade for the Chicago Cubs. Now, it only comes around every 100 years; but you had four to five million people that converged in Downtown Chicago. We have a lake on one side, and today I haven't seen a cell site that floats. So all of the carriers tried to get as many of their portable cell sites into the city; they had two days' notice. Because they won, they wanted to have the parade on Friday before all the players left.

Four million people went into Chicago in a very confined area; all the networks locked up. My daughter was there. Business people really complained. They actually tried to work that day, which is ridiculous. You don't try to work when you can't even get a train into the city. But these networks locked up, and the carriers did everything they could to try to get as many radios into there as possible. But you had four million people trying to take video of the parade, show grandma and grandpa in California, Arizona and Florida – look, the Cubs finally won; and it just wouldn't work. And it didn't work for hours.

Can you imagine what that would have been like if people that were – and there were people, there were first responders that were relying on the wireless networks; and they were not available to them. So this network is critical. We always think about how first responders use this; but you've got think, a parade actually could take down the public network.

With that, I'm going to turn it over to Jeff and let him talk a little bit about the lab and what he's got going.

JEFF BRATCHER: Great, thank you, Mr. Chairman. I very much look forward to working with you over the next year and setting up some meetings and further our discussions.

I'd also like to thank former Chairman Barry Boniface as well if he's still listening. I've really enjoyed working with Barry over the last several years. His guidance and leadership and input has been invaluable to the team going forward.

I'd also like to thank – speaking about the Cal Office of Emergency Services and the tour of their testing lab yesterday.

Mike and Kim, I think I'll be revising my budget. I've got a few wish list items now. Myself and Tom Sorley really appreciated that tour.

With that, before we jump in, I'd like to hit a few key things since this is the last Board meeting of the calendar year of 2016 and just say that was a critical year. I know every year has been a critical year; but for the Technology Team in specific, it's been a critical year building the solid foundation for the next 25 years. I'm happy to report the CTO Management Team has filled out our staff with extremely talented and dedicated personnel that here for the mission of serving public safety and bringing this network to them for their use in the future. I'm honored to work with all of them; they're a fantastic group of people, as evidenced, I think, by the interactions we've had the Board and other public safety personnel in the PSAC.

We kicked off the year with the release of the RFP and moved into supporting the evaluation activities, as well as negotiating the long-term lease of our facility in Boulder and building the innovation and testing lab. We're very happy with the efforts. You see here the ribbon cutting ceremony that we had on November 9th. The Lab is operationally ready; as of November 9th, we're ready to hit the ground running. We've got the full capabilities, as we outlined in the RFP, for our partner to deliver their equipment. We hit the ground running – testing and validating those key public safety features that we know are needed, specifically with Chairman Cox's early comments on quality of service, priority and preemption, which are going to be critical for this network for public safety.

It's approximately 4,600 square feet. We've got 3,400 square feet of network equipment space, racks ready to go. We've also got 1,200 square feet with 15 benches, dedicated testing application development areas, and future innovation in that space as well.

I'm very proud of the team's efforts; they delivered this. We received final approval in June of this year; but leading up that was about 18 months of planning and replanning and going back to the drawing board, working with the contractor teams to hit the ground running. They executed the build and development of the lab way ahead of schedule, four-month time frame, and under budget, which I know Kim and Mike and TJ constantly driving us to bring things in under budget. So I'm very proud of the team for doing that.

I'd like to move on and touch a little on our draft network policies that we've been developing across the Legal Team, the NPO Team and CCO Team. Again, these will institute the basis for the network interoperability. It was outlined in our legislation that we will have these. These will be also critical for the state opt-out decisions, and it will be a critical component of the state plans that will be delivered post award. That will also be leveraged by the FCC and NTIA as part of their analysis and evaluation for those opt-out requests. These will provide the development and operations framework for the network partner moving forward.

Some of the activity to date I'd like to share – we did establish the criteria for the policy documents and where those were needed. We analyzed the policies, the candidate lists from across the teams. The

original list was around 150 network policies, and we've got those consolidated and organized down to about 40 that we think are critical as of today. We've developed and reviewed these; they're in further review now. We look forward to briefing the committees on these as we get through the internal review moving forward.

These, again, will not be finalized until post award. Obviously, we need to have the final solution from our partner in place to help educate and finish some of these. There may be some that we had not thought of as well that will be developed in that time frame.

SUE SWENSON: Just a quick question on that?

JEFF BRATCHER: Yes, ma'am.

SUE SWENSON: These will be policies that obviously we'll have with our partner; but for those who are potentially considering opt out, these are policies that would be consistent, whether it's with our partner or anybody who is building their own radio access network, right?

JEFF BRATCHER: Absolutely.

SUE SWENSON: So this has application beyond our internal use?

JEFF BRATCHER: Absolutely, that's the exact focus for these.

SUE SWENSON: Okay.

JEFF BRATCHER: I'll take any questions now. I'd like to also just state that we're ready to hit the ground running. The team is focused and working across NPO and CCO as well, state plan development and refinement. Once we have the final details for all the elements needed for a state plan, we are ready to populate that and hit the ground running.

Again, thank you Chairman Cox for taking over the Technology Committee and look forward to working for you in the future.

NEIL COX: Thanks, Jeff.

SUE SWENSON: Great, any comments or questions from the Board? Great job, thanks for everything you're doing out there in Boulder – appreciate it.

JEFF BRATCHER: Thanks.

Vice Chairman Johnson, I think you're up with consultation and outreach.

JEFF JOHNSON: Thank you, Madam Chai

I stepped out to thank the director for attending, and I didn't notice if Harlin introduced himself as the eye candy for the PSAC or not. I'm hoping you refrained from your instinct there, Mr. Chairman.

The CCO Office and consultation office function here at FirstNet is formally known as Consultation and Outreach. Our broad, overall job is to make sure that what we're doing gets out to our stakeholders and our potential user base; that our outreach and messaging is creating a pathway for the single points of contact in the 56 states, territories and Commonwealth; that we create a pathway in for those messages, concerns and insights; and that we have a pathway then that returns and recycles their concerns into productive communication about where we're going.

Our staff is led by Rich Reed as our Chief Communication Officer, our Chief Customer Officer. Rich Reed leads that initiative and has done an astounding job with his team in terms of getting out with the SPOCs, preparing the states for what will eventually be a state plan, communicating what's going to be in that plan. We're getting positioned and ready to launch when our partner is chosen and finalized with a strategy about how we take our services and our offerings to our customers. And, of course, the PSAC, which is a form of outreach and engagement – the 41 members of the PSAC are really all about taking those from our disciplines in public safety and creating a pathway for their insight and knowledge. I was just reflecting on my device here; and I was just thinking, "I don't remember anybody ever asking me from one of the primary carriers, commercial carriers – anyone asking me what I needed or what I wanted." I think if we want to distinguish ourselves in one primary we, we didn't just decide what public safety would want and jam it at them. We said: What do you need? What do you want? What's important for you? What are the services you need? What is the functionality you need?

We created a dialog so that when this mission-critical product hits the street, that it actually is serving public safety's needs. That's our job.

So we are poised, and we are literally a coiled spring ready with our work in terms of reaching out to public safety, engaging the states. The state plans and our strategy around that are in their final phases. We have done the work.

Rich, I want to thank you and your team for that work. More importantly, I want to thank you for being a true listener and being open. It's easy, no matter what your discipline, it's easy to become the expert; and the day you become the expert is the day you stop listening; and it's not healthy. I really admire from our Chief Technology Officer through Harlin as our PSAC Chair, through you and through our whole staff, we have always kept our ears open; and our Chairwoman personifies that behavior. I just think we need to keep that open; but I also want to acknowledge that while we're listening and we're receptive, we're also poised.

All we need to do is bump you, and your tire starts down the hill. I want to thank you for getting ready. Any comments on our current positioning, Rich?

RICH REED: Thank you, Vice Chair Johnson.

That's what we are, a coiled spring. I can be the Chief Customer Officer, Chief Communications Officer – whatever you want me to be – Chief Listener, Chief Engagement Officer. Whatever we're going to call me is going to be fine.

As you know, it's not my job; it's the job of the team that goes out, and we've built an outstanding team. I've never been more proud of the work that we've done and the work that we're going to do in 2017.

We've hired an outstanding staff; we've picked the best folks from industry, public safety, and the Federal Government to execute this mission.

It is not without challenges. When you bring new folks on, it takes a year to bring them up to speed and to really indoctrinate them into the FirstNet vision; and it's a unique process. It's a unique set of data that we're going out and informing states, localities, tribes, federal agencies. It's a truly unique process for bringing staff on and getting them up to speed.

I can't tell you how happy I am with the quality of individuals we've hired and the depth we've been able to

recruit in terms of very skilled staff. So thank you all for your work. I'm very, very pleased with where we stand; and I just want to spend a few minutes going through what we've done in 2016.

As you know, and I mentioned to the Committee yesterday, we executed our fourth Spock-fest meeting. That's where we bring all the SPOCs together; and we have a dialog about where we stand and provide everyone at the same time the most up-to-date information in terms of our processes, our current decisions, all the information we have to provide.

The team took a very innovative look at how we're engaging states and SPOCs. What we recognized was that the information and the dialog that was happening in the halls, the conversations SPOCs were having amongst themselves were very, very important. We decided we didn't want to go out and present information as much as we had in previous meetings, so we created a very dialog-heavy schedule for that group. We had representatives from the Board. We had Kevin Johnson at the meeting; we had Kevin McGinnis; we had Governor Douglas – all participating in the meeting. We had members of the FirstNet Leadership Team, and we had members of the CT Organization, NTIA – all participating in a very robust dialog with states.

We developed tables, where we literally went through; and we engaged states, and allowed them to ask us questions. We didn't feel comfortable until we walked away with complete satisfaction or exhaustion of all the questions that they had at the time. I thought it was a very well-received meeting and a very well-received approach.

In 2017, we're going to continue that conversation with the states. Our job is to really ensure that the states have the information they need to receive the state plan, to process that state plan information and come to consensus at the state level. Ideally, we need to get everyone who is a key influencer or a key decision-maker within the state familiar with the process, how we're going to deliver state plan information, and make sure that they have the education, background and the perspective they need to make a good decision. Ultimately, we need to make sure the Governor and the Governor's staff have all the information they need to make a robust decision.

In addition to that, we need to make sure that post Governor decision that agencies and first responders at all levels of government – federal, state, local, tribal – are able to adopt the service. We understand their sales cycles, how they buy, the contracts they use, what devices they prefer. We need to have a firm understanding of how they actually go out and procure cellular services.

Once we get through that decision and we're in the process of engaging states and SPOCs, we're going to continue to educate the stakeholders. We're going to explain the process, as I mentioned. We're going to explain the portal – the way we're going to engage stakeholders at the state level. And we're going to ensure that the state plans and the content that goes in there is reflective of the desires the state has put forth.

When we talk about engagement, just this year we've engaged the SPOCs; and it's been traditionally a state-centric engagement. But as Chairman Johnson asked us to last year at this time, to expand outreach and focus consultation; and we've successfully done that. So we've not only continued to engage at the state level. We've increased our engagement to focus at the governance level. So we had 46 governance meetings; we had 36 metropolitan meetings; we had 24 executive and governor staff level meetings, and 18 consultation task team meetings. As you can see, we went from a state centric model to a far more focused and deep engagement strategy at the state, federal, local and tribal levels.

In addition to those, we continued to engage with public safety through online processes. We've got websites; we have Twitter accounts, Facebook accounts. We're making movies. We're doing everything we can to get the message out and make sure people have the proper perspective.

Let me just spend a few moments talking about where we've come from. In 2014, we engaged 200 times. Those 200 engagements – it seems like a very low number – but we did it with 3 or 4 people. There was a very small staff doing that high level of engagement. In 2015, we did 350 engagements. That equates to 50,000 public safety personnel that we engaged during those 350 engagements; it's a tremendous effort.

In 2016, we did 600 engagements. That equates to 75,000 public safety personnel that we've engaged.

That's just direct engagement presentation of outreach and education.

So I think we can clearly demonstrate we had a fairly successful year. We are ready to execute this mission once the partner is awarded. We have the trained staff, the staff with the perspective to go out and deliver this content. We continue to engage with NCO, PCO, the PSAC, as well as all of the echelons of government to execute this mission for you in the future.

I'm ready to take questions if anybody has any.

SUE SWENSON: I think you have one a tremendous job. I guess probably the frustration that I hear is that there are some things we don't know yet, and there are some things we can't answer. So I think from my understanding, we just say, "We can't answer that, and here's why we can't answer it." I know that's frustrating for people; but I hope everybody understands, there are just some things we can't answer yet until there is an award. So have we been able to have people understand that we're not keeping it behind the curtain; it's just we don't have the answer.

RICH REED: Yeah, we hear that all the time. I think we've developed quite a lot of information. We have a lot more perspective than we had two years ago. We actually become more educated and more appreciative of what we're going to deliver every day. But there are things that we're not going to have in terms of data until we make the award.

Some of the more important things that states, territories, agencies want to know is the cost phase, the deployment schedule. Those are things that are directly driven by the award that we need to make.

I also think the states are actually better, more appreciative of that, and better understand our position after all the dialog. I think there are far less issues with mistrust and the lack of transparency, and a far better appreciation for what we're trying to achieve. So I think it's better than it was.

JEFF JOHNSON: I think I can't say enough about our efforts to communicate with our customer base; I really can't. That said, I look in the mirror at times and I have to remind myself of the wise Doug Dobey's comment, which is, "When you say it and you say it and you say it until you're sick of saying it, less than 10% of the people have heard it."

I think we've got to keep that in mind as we talk, and we've got to keep at it. That's exactly right. Thank you for keeping at it.

ED HOROWITZ: I would just like to observe something and really build on a comment that Chief Johnson just made. I think that one of the "things we have to do" is continuously get the message out. We're asking people to buy into what FirstNet is all about. Difficult decisions on what we heard this morning from the director, the different constituencies he has to deal with in the states. We saw yesterday when we visited the facilities the fact that they're still operating on equipment that some of it was installed in the '80s, and some of it is the most contemporary equipment out.

So we need to stay on message. I used to run radio stations; and people said, "Well, why do I hear the same song all the time?" The reason is because it gets the ratings. The reason you have to repeat the message seven times before it is heard is because 10% of the people will hear it at that point; and as much as you think that you've been there, you've checked the box, you saw 75,000 once maybe twice – you've got five more times to do it, and you have new constituencies coming and going all the time. So I just would like to encourage you to keep doing what you're doing; keep the message consistent. A message doesn't have to be simple; it has to be consistent. And don't get bored with it because when you start going off script, that's when it gets confusing. So, please, (inaudible) group and the team is fabulous.

RICH REED: Thank you, good advice and we agree.

SUE SWENSON: Great, well, talking about readiness, we've probably been hearing that theme; and we've moved from horses and stables to reptiles, I think, because reptiles coil I guess. I'm not sure; I don't think horses coil.

I think the organization has done quite a bit of work to think about what does it look like when we really can move to the next step.

TJ, I think you have a presentation to tell us how you guys are thinking about what you call the first 100 days.

TJ KENNEDY: Sure, so we talked a bit yesterday in the MPO organization just about all the things that are happening in this first 100 days; and what's going to happen is we are operational today and we're going to be operational with the new partner. But I wanted to start with just a couple of things leading up to this point.

When we started about three-and-a-half years ago bringing in the talent, we heard a lot about making sure, getting the right resources and so forth here today. One of the things we really wanted to do was make sure that we laid out the right things that folks could work on.

Sue, you were a huge part of making sure we had our strategic roadmap, and making sure that the team focused on milestones and deliverables and really delivering for public safety in a very time effective way. I think we've continue to execute against that; we've continued to build a second roadmap and drive that going forward. I think it's very important for everybody in public safety to realize, this is all about delivering that end result, that mission-critical public safety broadband that they need to have. By doing that, we also have to set up the organization.

One of the things Mike and I have been very focused on is making sure that we have the right senior management team in place. If you think back to a couple of years ago, we didn't have what we have today. We now have a fully-staffed senior management team, where every single one of them have been on the FirstNet team for more than the last year.

To Rich's point a few moments ago, that means that they've understood all the depth and all the issues and all the complexities that need to happen; and they've also stepped up their teams. Today, think about it, we have a fully staffed CPO organization, a Chief Procurement Office that now has acquisition authority and can execute on our acquisitions. Without that, the operational side of the team – the CCO, the CTO, the NPO – can't execute and can't execute on time. Now they can.

It also allows us to do something that's super important, which is to cut out the bureaucracy. What we need to do is have effective controls in place. We have that with our CFO Team; we have that with the Procurement Office now. But at the same point, those need to be functional. They need to be able to allow the team to operate like we're used to in the private sector. Many of us have spent the last 10 or 15 years working in the private sector, having a P&L, and being able to run an organization. To do that, you have to have effective acquisition, effective human resources, effective finance that supports the business. Now we're operational and have that, and that's a huge plus for the organization; but what's important is we have it before we even have the partner awarded. And what we've really focused that team on now is supporting the operational units as they get ready for this first 100 days.

What's critical as we get into this first 100 days is that the processes are in place and that they're lean. They're not subject to a bunch of bureaucracy that's going to slow us down, and besides just creating the processes, we've worked to make sure that we have the shortest path to success and we also do it in a very thoughtful way that continues to seek out from public safety their consultation and their input today, tomorrow and into the future. That's where we're going to spend our time is with our public safety customers, our partners in the field of public safety that are making this network successful by using it and having that input come into the CTO, come into the CCO shop.

One of the unique things that Rich touched on is just having that right talent that understands what's going on with all the different elements and is fully trained, we spent a lot of time on recruitment versus hiring – making sure we get the right skill sets and the right human capital to go out and do it. That's what we've plugged into this organization to be ready.

We've also laid out the first task orders.

Karen, if you'd just adjust to the next slide – the clicker's not working over here – that would be great,

thanks.

If you look at the deliverables that occur in this first 90 days, it's a mass amount of actually operational detail that's going to allow the state portal to be stood up completely and be accessible to all the states and all the public safety stakeholders that need to get at that.

The second thing is it's going to allow us to drive in and have that ability to have state plans that are meaningful and to have that process laid out where we can sit down with states and answer all those questions and do that quickly. Depending on who the partner is, it also will allow us to maybe speed up this process and go faster because we're ready to hit the road. We literally have a layout of every day -- and not just the first week, but in that first 90 days to be able to lay out and make sure that we can move forward with the partner very quickly.

All the pragmatic steps that need to occur to allow the team to hit the ground running 100 miles an hour are in place; and literally, they're just chomping to go forward and make that happen. I think it's an exciting time to be here, if you look at where we started and some of the great groundwork that allowed this to happen -- from public notices to the strategic roadmap to getting the right talent in place and all of this consultation. I mean, if you look at trying to reach out and be effective with 60,000 public safety entities across this country, it requires people that really know what they're doing; and it also requires a support staff -- these support organizations that are facilitating making that happen. They're now fully staffed. And to the point of the administrative process, making sure we keep that lean, there's no extra fluff in there so to speak. But at the same point, it's people who know that their job is to make it easier for people to go out and be successful in deploying this network. It's making it easier for us to be able to communicate.

And then doing it all in a way that sticks to our core values of public safety and of FirstNet specifically: doing it in an open and transparent way, doing it in a way that's very customer-service focused, doing it in a way that really is results-oriented. Everybody on the FirstNet team, as you know, works really, really hard to make things successful as we see in public safety. But I think it's important that we also have them ready with the right tools and the right armament to be effective.

I think back to a great quote from Chief Eversole from the Chicago Fire Department from years ago. He explained with some vivid color, which I won't repeat every detail of it; but he talked about when people call for service -- I think at the time they had about 1,120 calls a day for service in Chicago -- and that when they called for service, they don't just expect a fire engine to show up and two trained folks to get off of it or four trained folks to get off of it. They actually expect five brain-surgeon decathletes to get off and solve whatever problems they have.

Well, that's our partner; that's our customer; that's who we're serving. That's who we need to make sure that when we're sending out the CCO Team or the CTO Team to be able to execute with them, or the NPO Team, and what's going to happen with the deployment of this network, they're also expecting us to meet that really high level of expectation. That comes down to talented folks who are trained, who have the right resources to execute, and that we're supporting every single step of the way.

So I'm excited to see that we now have those folks in place. We have the right team to do that. They're focused on being lean. They're very focused on delivering at the end of the day whatever is needed by public safety to make this network work.

SUE SWENSON: Well, it looks like we're ready; but any comments or questions for TJ about the out-of-the date plan here, the 100 days or 80 days or 70 -- whatever it turns out to be?

I think it looks really good. Obviously, we're in a situation here where we're continuing to move down the acquisition path; and we thought it would be helpful, actually, to have our General Counsel give a quick status update on the acquisition and legal activity. So Jason Karp is our General Counsel, and he's going to give us a brief update on what's happening. Obviously, we're limited in terms of how much we can communicate; but we'll communicate as much as we are able to.

Right, Mr. Karp?

JASON KARP: Absolutely, and thank you, Madam Chair.

I think it's important, given where we are in our development and recent developments, for everyone to understand kind of the rules of the road and how this might impact our programming going forward. I think as everyone is aware, on November 21st, (inaudible) Mercury LLC was an offer in the network procurement and that had been eliminated from the competitive range filed a protest in the U.S. Court of Federal Claims. As is customary in these types of situations, FirstNet's interests along with the Government's interests are being represented by the Department of Justice. Their Commercial Litigation Branch, which is in their Civil Division, my office – the Office of Chief Counsel – along with the Department of Interior's Solicitor's Office, our partner will support DOJ's efforts in that regard as that moves forward.

The good news is that pending the outcome of course of that protest litigation, FirstNet is free to move forward in a kind of business-as-usual course. That means that we can continue to move forward in working with DOI on advancing the acquisition, as Rich noted earlier, and preparing for the state plans short of that information that is necessary from an ultimate network partner. We will continue to solidify our operational readiness, as TJ noted, and be ready for those Day 1 operations once the award is made and be able to move forward as quickly as possible so that once we do have an ultimate court determination, we will be ready to advance the ball and make the award as quickly as possible thereafter. I think with that said, there are some limitations that we all need to be very aware of. It's important for everyone to remember, both within FirstNet and on this Board and in the public that we remain in the middle of an active procurement. And we remain now in the middle of an active protest litigation, and that creates certain limitations for us.

What that means is no different than previously, we cannot discuss the procurement situation – any source selection information; and we cannot talk about the details of the litigation. While we certainly appreciate that we will have partners, stakeholders, the public, who will want to know what's going on, and certainly we are committed and remain committed, I think as you've heard today, to full transparency, that transparency will be consistent with the law and the rules. This is critical to protect the integrity of the process and protect the integrity of the acquisition to ensure that can then get to the network deployment as quickly and legally and ethically as possible.

With that said, to the extent that there are questions about the protest litigation, I would ask that they be referred specifically to the Department of Justice, their Office of Public Affairs. They will be the exclusive representatives who will provide information regarding the protest litigation, and certainly thank everybody for their understanding as we go through this process and respecting the steps that we need to take in order to ultimately get to an award.

With that, certainly I'm happy to answer any questions; but I thought it was important to ensure that both the Board, certainly FirstNet management and personnel, as well as the public, understand the state that we're in and the rules we have to operate under.

SUE SWENSON: Any questions from the Board or management?

Jason, I appreciate you communicating that. I think it's important for people to understand not only what we can do but what the limitations are and the reasons for that. So I appreciate you taking a couple of minutes to make sure everybody is aware of that.

With that, I think our CEO, Mike Poth, is going to wrap up with some closing comments.

MIKE POTH: Great, thank you.

First, some housekeeping things because FirstNet is moving forward. We will be, in the next day or two, posting the 2017 Board meeting schedule. The next one will be in March – March 14th and 15th; then following in June, the 28th and 29th. Karen and the team will have those posted as we plan to continue to move forward.

I also want to thank the departing Board Members for all their work and diligence. As Kevin mentioned earlier, kind of the mix of what we have with the Board, that's one of the reasons why we're as effective as we are. Certainly the management team and the leaders that I have and all the employees and contractors are second to none. But with the current Board and the ones that have come before us and the ones that will come in the future, that's one of the reasons why this is really working as an independent authority that remind us of our needs and public safety. It reminds us of our state and local responsibilities, and our financial and technical responsibilities as we try to implement this.

So thanks to all the Board Members that are leaving us, and thank you all for your service. We drag you all over the countryside, and you always seem to have a smile on your faces for most of the time. So we really appreciate it.

Sixteen months ago I started, and it was a great adventure. I was really excited about the business opportunity, and the implementation was really intriguing to me; but I love public safety. Then yesterday, walking around looking at all the cars and sirens and stuff that you can smash, it's like, boy, I wish I was just doing that again. So I'm torn between two worlds, but I love both of them. So this has actually turned out to be the perfect job.

If you remember, 12 months ago exactly at this meeting, the Board and I finished; and we installed a Leadership Team. We charged that Leadership Team with a pretty aggressive agenda, to get this organization up and running and be ready to execute on a contract – not think about getting the contract, not get a plan to have a plan, but actually to be up and running. Hopefully over the last two days, you have some confidence that the team is in place and that everything is ready to move forward.

Obviously, one of the top priorities over the last year has been the procurement; but that doesn't define FirstNet. That's just one of the necessary steps that we need and one of the logical steps to execute what we were brought together for. And I can say confidently that the FirstNet organization – from our network Program Office that you heard about was stood up; our customer outreach and our customer group is moving forward; and we're grabbing procurement authority as a critical component to be able to stoke the train as we go down the tracks. In addition to the network contract, all the other contracts that we need for the care and feeding of the organization to be able to be truly a partner with our awardee.

Also, you've heard about – in seeing the world-class lab and the technical team. I like to tease Jeff. I want to make sure that whatever lab we go to, we have at least one more of those gizmo's that he has that will help public safety. Everyone is on a shaky table; we probably can't afford that. So we're going to get an old ping pong table and have the team just kind of shake it as hard as they can with the radio devices.

Then you've heard about the budget and our discipline. I'm extremely proud of the Leadership Team; they treat every dollar as if it's coming out of their own wallet or purse – truly financial stewards. I'm excited -- not as excited as Kim gets when a clean auditory comes in because I still don't know if that's really significant; it sounds pretty important, the way she carries on. But we have the rigor in place; we are an up and running organization. Just as Congress intended and just as this Board and many of you on this Board envisioned, we are here; and it's done; and we are ready.

Over the last two days, we really wanted to make sure that the Board was comfortable and confident, that the public safety community was comfortable and confident and knew that we are the stewards for your network. This is public safety's network; we're never losing focus of that.

As Jason mentioned, we are, unfortunately, in a process; and we're going to respect the court process and support the Department of Justice in their defense of our processes and where we're at to date. But

as he also mentioned, we can and we will continue on all aspects of the procurement during this time short of making the award. This means we're going to move forward as quickly as possible on all fronts so that we're ready to take action for public safety and we're prepared to move forward consistent with the Court's ultimate decision.

In other words, it will be full speed ahead at FirstNet. We're not going to wait. We have a sense of urgency that this tempo has been going for 4 years, and it's going to go for the next 25. So we're not going to be slowing up.

Through our consultation efforts over the last year, we worked really hard to meet the local and state public safety leaders across the country to share with FirstNet, but also to hear where they need to be. We're never going to be content; and to Chief Johnson's point, we're never going to stop listening. That's why we're here. Public safety is so critical. As everyone has already mentioned, we have to be on a constant listening tour; and we're going to continue to do that.

This is what we're all about – whether it's the firefighter in California that the director talked about earlier, a sheriff in the state of Ohio, or maybe an EMT in Florida. They're all counting on us to pull this off, and we are ready. The horses – we'll keep that analogy going – are loaded in the shoot to coil like a spring, I guess, out of the shoot and any other terrible analogy we all can come up with.

I want to thank the Board; I want to thank my team; I want to thank public safety; and I want to really thank public safety for their cooperation and their patience – truly their patience. We are going as fast as the team can go, and now we are ready; and we look forward to the coming months as everything plays out in a logical fashion; and we look forward to the next Board meeting.

Thank you very much.

SUE SWENSON: Thank you, Mike. Just listening to your comments, I think it's important to mention we talk a lot about FirstNet and about what we're doing as an organization and all the functions within FirstNet. We said it four years ago, and I'm going to say it again today. It's public safety's network, and FirstNet is just a vehicle to get to public safety what it deserves. So I don't think we've lost sight of that; and I think that, frankly, is what keeps us here. As you know, people ask us, "Why are you doing something like this, as hard as it is?"

I tell people, "It's about the mission." If it weren't for the mission, I don't think we'd have the people around the table that we do. I don't think that's changed; in fact, I think it's just gotten stronger.

Before we move to close the meeting, I'd also like to take this opportunity with the changing of the Administration to thank Larry Strickling, the Assistant Secretary of Commerce. Larry has been with us since the very beginning – from setting up the Board and going through all the trials and tribulations that we went in the early days. Larry has been a great support to us and will be transitioning as part of the change in Administration. So I want to publically thank Larry for everything he's done for us over the last number of years and obviously involved even before I was.

I'd also like to thank Marsha McBride. I'd also like to thank Steve Fletcher because Steve Fletcher actually worked at NTIA, and Steve and I worked together very closely at the beginning on the development of FirstNet; and now we're fortunate to have Steve Fletcher on the FirstNet staff. And Marsha McBride really replaced Steve at NTIA in that role, and Marsha is a huge advocate for us. There are a lot of other people that I could name, but those are the folks that are pretty visible and pretty active as advocates for us.

I'd also like to thank the Department of Commerce. Secretary Pritzker has been very supportive of what we've been doing, giving us all the support we need to move issues forward and really taking that responsibility seriously. Deputy Secretary Andrews has been an advocate for us for a number of years; and with that transition, I want to publically thank them for their support. We'll hope to enjoy the same support with the new members that are coming in and taking that place; but, again, really appreciate all

of the effort and support by those organizations.

For the number of people I haven't mentioned in both of those organizations, who work behind the scenes – I mean, you'd be here for the next hour for me to list all the people that actually work for all those folks and help FirstNet.

Any other closing comments by the Board Members that you'd like to add?

[No response]

Hearing none, I would entertain a motion to adjourn the December 2016 FirstNet Board meeting.
Thank you, Mayor.

Second.

Thank you, Ed.

I don't know think there are any comments, Chief Johnson.

All those in favor, please signify by saying "Aye."

MULTIPLE VOICES: Aye.

SUE SWENSON: Any opposition?

[No response]

Any abstentions?

[No response]

Meeting is adjourned. Thank you for joining us today.