

Vermont Community Broadband Board Meeting Minutes
112 State Street, 3rd Floor,
Giga Conference Room
Montpelier, VT
January 3, 2022

I. Call To Order – 12:04pm

II. Roll call completed by Patty Richards

Brian Otley (Remote)
Dan Nelson (Remote)
Patty Richards, Chair (Remote)
Laura Sibilila (Remote, joined at 12:22)
Christine Hallquist - Staff (In-person)
Robert Fish – Staff (Remote)
Stan Macel – Staff (Remote)
Alissa Matthews – Staff (Remote)
Holly Groschner (Absent)

III. Review of Agenda

There were no changes to the agenda.

Patty Richards moved to approve the agenda, and Brian Otley seconded. Motion passed.

IV. Approval of Meeting Minutes

The Board discussed the November 29th 2021, December 13th 2021, and December 20th 2021 draft Board Meeting minutes. Patty Richards moved to approve the minutes, as amended. Dan Nelson seconded. The motion was approved.

V. Review Proposed Act 71 Broadband Construction Program RFP

The Board then discussed the RFP and Patty Richards asked Christine Hallquist and Rob Fish to describe any specific changes that had been made and made a motion for the Board to accept the RFP in substantially the form provided, allowing Staff to make any minor changes, but requesting any policy level changes be brought back before the board.

Rob Fish discussed the issues with the Community Match Program and that there is no consensus among CUD's with some seeing a great benefit and others not showing interest. The first recommendation was changing the date when any money that is not used will be reallocated by the same percentage, from April 15th, 2022 to September 15th, 2022. Concerns around the timeline for raising the matching funds were raised by the CUD's and this would give them more time to participate. He clarified that this does not have to be a cash match from the towns directly to the CUDs, and can include in-kind services that further the mission of the CUD.

Rob Fish then discussed the RFP revision process and confirmed Guide House guidelines for reporting have been integrated and feedback from CUDs were reviewed and accepted where appropriate.

The board then discussed the design standards. The one significant change mentioned by Christine was related to testing and reporting of individual splice points and the adoption of the ANSI industry standards. Dan Nelson and Brian Otley had no objections.

Patty Richards made the motion approve the RFP in substantially the form as presented today with the Community Match Program end date changed to September 15th, 2022. Brian Otley seconded. The motion was approved.

VI. Staff Updates

Christine Hallquist discussed the Annual Legislative Report requirement that the Board make recommendations, with relevant stakeholder input, on whether and to what extent authorized expenditures under the Fund should include. Her recommendation was to provide a status report that the board review and include a proposed timeline for providing the legislature with these recommendations.

The other thing that will be included are recommended changes to Act 71 and Stan Macel is working on drafting new language related to the reversion of the assets to the State in a default situation to protect bond holders as well as the State. Patty Richards has been included in this discussion and Staff will keep the Board updated.

Patty Richards also suggested identifying issue lists as the construction phase progresses that need additional funding and including that plan in the annual report.

Rob Fish then shared other Staff updates. The Broadband Project Developer position has been posted and will close this week. Staff are working with VCUDA on the issues CUDs are having with the USDA ReConnect Program's requirement of a comparative audit. Many CUDs do not have that historical information at this point. The State can act as a Parent Organization but the entire amount for the project must be guaranteed.

Laura Sibilia asked about the HR process for hiring the Broadband Project Developer position and Rob Fish confirmed that the State does check minimum requirements before the applicants are reviewed by Staff.

Christine Hallquist discussed the concern going into the Legislative Session with additional funding coming from the federal infrastructure bill that the VCBB will need to defend our position to receive those funds. Currently Staff have the estimate of \$510 million for the entire buildout of the network, but how much would be needed to make a business case is still unknown. She reached out to the consultant that just completed the Telecom Plan, and they provided a \$100,000 quote to complete the updated estimate.

Staff proposed working directly with CUDs to come up with an estimate rather than spending the additional money and the Board agreed.

VII. VCUDA Update

Will Anderson provided an update for VCUDA. He discussed the data they are pulling together to demonstrate need to the legislature. FX Flinn has provided an estimate spreadsheet with new information about costs and will continue to update data. A workforce development survey has been deployed to businesses in Vermont and across the Northeast to gain the understanding of capacity and inform policies that may need to be enacted to get the workforce in place to get the job done. He mentioned acquiring shared services and plans to increase public relations efforts. He also announced that NEK Broadband has started connecting customers with service.

Laura Sibilgia recommended an assessment of the current status of all of the CUDs and Will Anderson confirmed that the report is prepared, and it will be expanded and shared with the Board and Staff so it can be shared at the Energy and Technology Committee Hearing at the request of Representative Briglin and included in the Annual Legislative Report.

Briefly discussed ACT 71 clause of where assets would go in the event of a CUD failure and supports the proposal of receivership language to address concerns when CUDs seek third party private sector funding. He also noted that he has started exploring centralized Private Public partnership funding for VCUDA parallel to the VCBB and support of the Board would be helpful in leveraging those funds.

Will Anderson added that VCUDA has been in discussion with USDA congressional office to try and solve the issue CUDs are running into around being too new to have a comparative audit available in order to apply for the ReConnect Program and as time the application deadline nears trying to gauge interest and access to consultants to help with submission of all requirements.

Patty Richards asked Christine Hallquist if the project launch in the NEK deserved a press release and Rob Fish confirmed that Staff are letting NEK Broadband take the lead on timing related to their readiness to serve new customers but that everyone anticipates a press release in the next few weeks.

VIII. Public Input

Two members of the public provided input.

- Chris Recchia stepped forward to discuss if the USDA grant is an RUS grant because if it is, there are many people on the energy side of things that have experience and could be helpful. He also shared that he believes the RFP has arrived at the right place. He also announced that he is leaving his position at the end of the month and thanked the Board and Staff for all their work.

- Christa Shute of NEK Broadband thanked Staff and the Board for the work, she mentioned that they have an extreme shortage on drops and want to set expectations for upcoming customers before a public announcement. With partners NEK Broadband has built 25 miles going to 300 addresses and shows what this network and collaborative effort can do to leverage funding.

IX. Executive Session

Patty Richards made a motion to go into Executive Session, to discuss confidential negotiations, where premature general public knowledge would clearly place the public body or a person involved at a substantial disadvantage (1 V.S.A. Section 313.1). Dan Nelson seconded the motion. The Board approved the motion and went into executive session.

X. Motion to Adjourn

Patty Richards confirmed that no action was taken in the Executive Session. Dan Nelson made a motion to adjourn. Patty Richards seconded the motion. and the meeting was adjourned at 2:13pm.