Vermont Community Broadband Board Meeting Minutes
Meetings are being held virtually.
November 14, 2022

I. Call To Order – 12:04pm

Roll call completed by Patty Richards

Patty Richards, Chair (Remote)
Laura Sibilia (Remote)
Brian Otley (Remote)
Holly Groschner (Remote)
Dan Nelson (Absent)
Christine Hallquist - Staff (Remote)
Robert Fish – Staff (Remote)
Alissa Matthews – Staff (Remote)
Stan Macel – Staff (Remote)
Adam Bornstein – Staff (Remote)
Herryn Herzog – Staff (Remote)
Lucy Rogers – Staff (Remote)
Kristin Brynga – PSD Staff (Remote)

Patty Richards made a motion to approve the agenda as posted, Brian Otley seconded, and the agenda was unanimously approved.

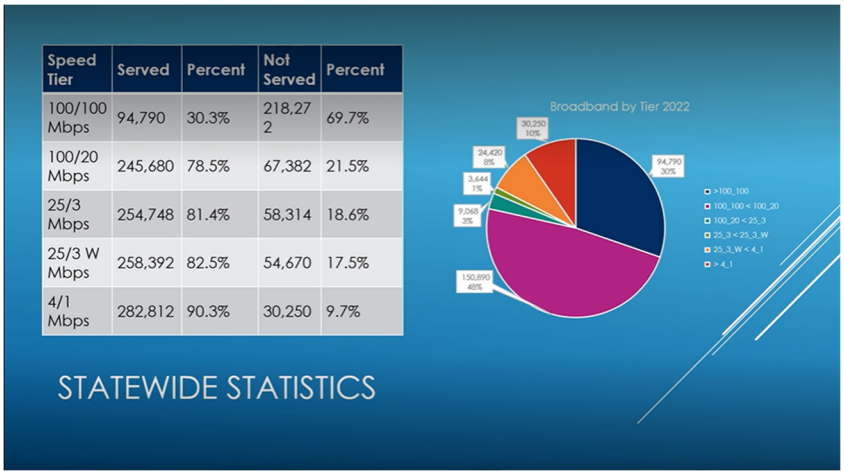
II. Approval of the October 31st and November 3rd Draft Minutes

The Board discussed the October 31, 2022 draft Board Meeting minutes. Patty Richards made a motion to approve the minutes with a request to revise grammar and copyedit before posting. Holly Groschner seconded, and the motion was unanimously approved.

The Board discussed the November 3, 2022 draft Board Organizational Meeting minutes. Patty Richards made a motion to approve the minutes. Brian Otley seconded, and the motion was unanimously approved.

III. 2022 PSD Broadband Availability Data Presentation

Clay Purvis and Corey Chase from the Department of Public Service (PSD) presented the new Broadband Availability Maps updated as of October 20, 2022. The data for the mapping is provided voluntarily from the broadband service providers annually. The data includes an analysis at each business and residential building location and is inclusive of cable television plant route maps. Some of the highlights of that presentation included:



- 30% of the state has fiber as of 12/31/21, the date from which the data was collected.
- Over 850,000 individual assertions of service at different speeds at different locations. Of that total, 313,062 are buildings based on E-911 site type. Multi-unit dwellings are included as one building.
- Data breakout includes addresses broken out by Communications Union District (CUD), including the newly-formed Chittenden CUD.
- Addresses covered by RDOF are not broken out separately in the current data.

Laura Sibilia asked the following questions:

- Do the underserved locations include any addresses that are projected to be served by any of the providers? What is the date of the data request?
    - Clay: Data collected for addresses denoted as served are considered fully serviceable, not anticipatory. There are however some locations that are now included as served that they know have come online during 2022 that would not have been captured in the 12/31/21 data request.
    - Corey: The data provided is the most current data that is available as of 10/20/22. All providers' data is current as of 12/31/21, but not all providers have updated data for the 2022 calendar year.
- On the data listed as 25/3 it was noted that it is largely now DSL. Has something changed with DSL making it available throughout the DSL territory at higher speeds? Is an affidavit required from the providers attesting to the accuracy of the data?
    - Corey: Some of the data is DSL and some is cable provider data.
    - Clay: The numbers have not changed significantly from the prior year. The DSL data is included in the appropriate level based on provided speed. A speed test was provided for DSL-served addresses by the providers. An affidavit is not required; however, compliance requirements are in the grant agreements. It is also important to note that the cable operators have a regulatory requirement to provide that information accurately, so affidavits would not necessarily be relevant for cable.

- How much double counting of the addresses do we have in here if any? For instance, if a wireless connection is reported, does it also include wired service for the same building?
    - Corey: The numbers included are the highest speed at that location. Slower speeds could be included but not faster ones.

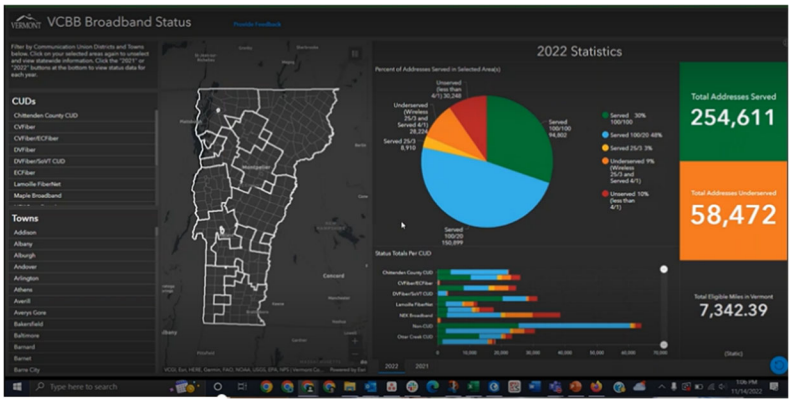
Holly Groschner asked the following questions:

- What carriers are operating that did not respond to the information request?
    - Clay: Not aware of any that did not respond but some did ask that the prior year data be used. However, many CUDs did not respond.
- The presentation would change based on whether wireless is included in the data presented. Was wireless included?
    - Corey: data is just based on speed tiers and not whether it is wired or wireless.
- When the carriers report served addresses to you, do they mean they are customers or addresses being passed?
    - Corey: They are always serviceable addresses. There is no reporting of take rates or penetration.

Christine Hallquist made the following comments:

- A multi-dwelling unit being counted as one address does not work for business plan purposes. She would encourage the board and the CUDs to take this into account with the business plans.
- There are also remaining questions that need to be answered as to what fiber is out there that doesn't have drops in place. If the answer is no, does that mean they are really connected? If the providers are self-reporting and there are no penalties for misreporting, then our data will not be as accurate.
- The PSD data is good baseline data. If we consider any new information at the grant application stage, we can use that to improve the accuracy of what has been presented.

Paige Gebhardt with Stone Environmental shared the updated VCBB Broadband Status dashboard based on the updated PSD data. This dashboard is still a work in progress based on that data, but preliminary data is as follows:



Patty Richards confirmed with the PSD and Stone Environmental that the population of underserved would be between 58,300 and 58,500. Clay confirmed that this is accurate, and the difference is between wireless and no wireless connection. Christine further confirmed that the CUDs are putting together plans to serve that number of addresses; however, there might be more due to multi-household dwellings.

Rob Vietzke pointed out two items of concern with the caveat that they are in the early stages of reviewing the data given that it was just released.

- In Northwest CUD they have physically been out to some of the addresses marked as served noting that there is no evidence that there is new cable on those poles.
- One of the CUDs noticed that they saw a 14% increase in the number of addresses listed as unserved in their district and a shift between unserved 4/1 and underserved 4/1 data.
    - Clay indicates that some of this is due to additional scrutiny being included in the past to make changes to DSL data through a nearest neighbor analysis. Changes were made to the data based on locations where reporting was not accurate based on neighboring locations; however, that analysis was not completed in the current year causing some of those fluctuations that were noted.
- What is the plan to manage this data in anticipation of the FCC challenge process that will be coming up in January?
    - Clay: There are two challenges. One is the fabric and the other is broadband affordability. A fabric challenge was done on October 31st. The process for challenging the fabric is a bit messy and unclear as to which maps are used and when it is due. Whether or not the PSD data can be used to challenge the FCC data in January is yet to be seen. We will know more once the FCC maps are available on November 18th.
    - Corey: Does an address exist in the FCC database is one of the challenge questions. This is a threshold question. The other challenge is whether a legitimate address is served or not served based on the FCC data.

F.X. Flinn, EC Fiber, noted that there are challenges to being able to accurately predict exactly when timelines will be met with utility construction, which makes providing accurate data as of a certain date difficult. He further noted that the CUDs have to address their business model and financing, rather than simply looking at addresses that need to be served.

Val Davis, Lamoille Fibernet, noted that there are substantial areas of the Lamoille CUD that are claimed to be served but are not actually served based on their own review of those physical locations. Additional clarification also needs to be provided on what served actually means to assist the CUDs in developing their business plans based on accurate and reasonable data.

Holly Groschner ended the comment period by indicating that there is a difference between the CUDs' business objectives and the VCBB's authority. Holly also indicated that she is opposed to re-opening grants and re-allocating ARPA funds based on the new data and would like to see a policy established explaining the process going forward. Patty and Laura agreed with this

perspective. Christine also reiterated that re-allocations based on the new data were not being proposed.

IV. Vermont Budget Process

Christine identified some key differences between the state's needs for the budgeting process and the VCBB's needs. The state operates on a cash basis and the VCBB needs to be on an accrual basis. The state also does not include one-time federal funds in its budget process, and the VCBB needs to include those funds to include a full financial picture. This has presented a challenge, but Christine and Will Anderson (SOV Finance and Management) have worked through this process and have developed methods to accommodate both the needs of the Administration and the Board.

Will Anderson presented the State's budgeting process. Important items noted included:

- The budget presented to the legislature only needs to include appropriations for the Universal Service Funds and BEAD funding until the legislature presumably grants a one-time appropriation for that program. ARPA funds are a one-time appropriation and thus not included in the budget that is presented. Other federal grants that might be received such as from the Northern Borders Regional Commission would be included.

- The legislature will be expecting the current year budget to be presented in addition to next year's budget because the VCBB is a new organization and the budget for the current year was not presented last year. The current year budget (fiscal 2023) will be presented as part of the budget adjustment. The fiscal 2024 budget will be presented as part of the governor's recommended budget.

- ARPA funding is not subject to annual state oversight within the budget process. The VCBB can spend that in accordance with federal guidelines. However, the state auditor's office has the authority to review compliance further.

- The funding that will be presented to the legislature will only comprise approximately 5% of the total VCBB budget.

V. Staff Updates

- General Update
    - Christine presented an update on the digital equity plan noting that the hiring of a Digital Equity Officer was still in process. In the interim a team inclusive of Christine, Alissa and Lucy has been assembled to begin work on the digital equity plan because it must be completed within 11 months.
- Outgoing Grant Request
    - Rob Fish noted that he had a discussion with the Northern Borders Regional Commission requesting additional flexibility for grant usage. The original grant was awarded for $1.2M for a single public-private partnership. Based on these new

discussions, additional flexibility will be granted, and staff is in the process of determining how best to use those funds.

- A new CUD was created in Chittenden County as a result of the election last week. This does not change any of our allocations. It simply takes the allocations for those towns and aggregates them at the CUD level.

- Press Coverage
  - Herryn presented a summary of media coverage since the last board meeting.
    - A press release for the Chittenden County CUD formation was sent out and received a substantial amount of media coverage. Rob did an interview with VTDigger with a story expected out on November 15th. NBC5 did a story on Friday as well.
    - A Workforce Development press release was sent out with Christine doing an interview for the Rutland Herald.
    - Additional media coverage by VLCT was also posted to their website regarding the expanded town match program.

- Upcoming Construction Grant Applications
  - Lucy gave an update on the applications in process noting that Lamoille Fibernet had submitted a pre-application and has been invited to submit a full application for the construction grant program. A decision will need to be made by the board as to which data set they will need to be using prior to their application being completed and submitted. Christine, Holly, Laura, and Patty provided additional comment regarding the new data and its impact on the business plan for the CUDs going forward.

- Grant Agreement Status and Monitoring Activities
  - Kristin gave an update and noted the following:
    - There are two construction grant agreements in the drafting stage. One for Southern Vermont and the second for WCVT.
    - All monthly performance reports due 10/15/22 have been received from grantees and have been reviewed with no additional areas of concern noted. Monitoring of the investigation with ValleyNet is ongoing and there is nothing new to report.
    - Alissa and Kristin are working on creating standardized electronic reporting for the monthly reports. That is still in process and additional information will be provided when that process reaches its conclusion.
    - The compliance review and monitoring framework is still in the development phase and inter-department collaboration for best practices is in process.

VI. VCUDA Update

Rob Vietzke provided an update for VCUDA, starting with the presentation given to Joint Information Technology Committee (JITOC) November 3rd. The presentation included a summary of the overall status of statewide broadband deployment and an update on a selection of CUDs. A complete copy of the presentation is included in the publicly available board packet and provides a comprehensive summary of the information that was presented.

Patty inquired about the issue that was noted about potential funding gaps and whether or not the CUDs are planning for that. Rob Vietzke indicated that this is something they are just starting to think about. It is more of an awareness issue right now but they do not currently have any solutions.

VII. Policy and Goals Discussion

Christine lead a discussion on the timing of board packet release prior to a board meeting. She proposed that the board packet be provided to the board no less than five business days prior to the meeting date. Patty agreed with this process.

Patty listed two items for future discussion. One is the data set policy. This will be addressed in the meeting on November 28th. The second is to establish a mission statement which will be discussed in a future meeting yet to be determined.

Laura would like to discuss a high-level communications policy in a future meeting. This is to include when the board is notified of public notifications. She would also like to see a grants policy to govern what is submitted to the board and reviewed before it is officially executed.

Holly inquired as to whether the VCBB has a separate webpage from the PSD. Christine indicated that we do not currently. Holly indicated that we might want to consider having a separate webpage. Patty raised the concern as to whether we have enough staff to be able to do this and would like it to be included on a future agenda for policy discussion.

VIII. Public Comment

There were three public comments provided by:

- Ray Pelletier (CVFiber) provided comment on the funding gap. He noted that material pricing is going up, and they may not be in a position to buy ahead because of the funding gap which will then delay material requisition and slow construction.
- Aaron Calvin from Citizen Newspaper in Lamoille County asked how the Board is advising CUDs planning and starting construction in areas where there are already private providers working such as in Cambridge and Stowe. Patty Richards directed Aaron to follow up with Staff and the CUDs following the meeting.
- Irv Thomae (ECFiber) provided comments surrounding concerns related to under-build and the challenges posed with competitors moving into territories where they weren't initially. He also posed the question of when the PSD maps will be available to the CUDs for their territory, to which Christine indicated a target of January 1st.

IX. Parking Lot

Christine Hallquist reviewed the items in the parking lot, which include:

- VCBB's approach to mapping and strategy for challenging the FCC - tentative plan to present strategy at future meeting tentatively January. A Federal Program Officer at the NTIA will be needed to work on this with us and that has finally been announced as Clay Purvis from the Public Service Department.
- Define audit criteria and post award grant reporting and review process for grantees/CUDs. The team shared the memo on October 31st and will provide the framework being used for compliance review and share a grant agreement with the Board.
- Invite to the Federal Delegation to future Board Meeting. There is a tentative plan to attend a future meeting after the elections.
- Workshop for the CUDs on Uniform Guidance is scheduled for December 7th.
- Establish policy to address the issue of enforceability with any of the partners and the CUDs. The team will finalize the plan that addresses how the VCBB will know when problems are starting to occur, develop a corrective action plan, and then what happens if people default on that corrective action plan. VCBB will come back to the Board with that plan. Stan commented that grant terms are all the VCBB can enforce. Holly stated that is why she is interested in seeing the grant agreements.
- Finalize subsequent overbuild policy and will present the policy at a future meeting.
- Finalize data set policy and staff will present the policy at the November 28th meeting.
- Create a communications procedure plan and staff will present this at the November 28th meeting.
- Discussion of a separate webpage for the VCBB to be continued at a future meeting.
- Development of a mission statement. Patty will lead this task, and it will be presented at a future meeting.

X. Confirm Next Meeting & Motion to Adjourn

Patty Richards confirmed the next meeting will be November 28th and made a motion to adjourn. Laura Sibilia seconded, the motion was unanimously approved, and the meeting was adjourned at 3:03pm.