

Vermont Community Broadband Board Draft Meeting Minutes
Meetings are being held virtually.
January 9, 2023

I. Call To Order – 12:03pm

Roll call completed by Patty Richards

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

Patty Richards made a motion to approve the agenda with a suggested change of adding a discussion on affordability during the Staff Updates section. This was seconded by Dan Nelson. The updated agenda was unanimously approved.

II. Approval of the December 12th Draft Minutes

The Board discussed the December 12, 2022, draft Board Meeting minutes. Patty Richards made a motion to approve the minutes, seconded by Laura Sibilia, Holly Groschner abstained, and the motion passed with four votes.

III. Vermont Federal Congressional Delegation

Members of the congregational delegation were invited to speak briefly about their broadband-related agendas and to introduce themselves to the Board. Present were Jeff VanOot and Michelle Monroe from Senator Welch’s Office, Erhard Mahnke and Katrina Menard from Senator Sanders’ Office and Thomas Renner from Representative Balint’s Office. The Board had the opportunity to ask questions and provide comments regarding their concerns with discussions occurring as follows:

- Laura Sibilia:
 - In regard to mapping Laura noted that telecom providers have received millions of dollars in taxpayer funds. The burden of challenging these companies should not be on the consumers. This methodology needs to be changed to better serve the consumers.

- Laura noted that the unregulated telecom industry is a huge concern. When will the 5th member of the FCC be seated? What is the hold-up?
 - Jeff VanOot: There was significant pushback on the president's nomination from stakeholders in DC which is responsible for blocking seating that member. The hope is that President Biden continues to push forward with filling this opening.
- Holly Groschner:
 - Holly discussed the limitations of the Affordable Connectivity Program. She noted that the VCBB is focused on getting networks built, but those rural networks are still expensive. Additional funding is needed to help remedy this issue. The State has not been allocating resources to subsidize broadband for low-income households. The digital nature of the application process for subsidization creates barriers to getting subsidized service.
- Christine Hallquist:
 - Christine identified concerns with the FCC mapping process noting that the burden is on the consumer to prove they don't have adequate service. This methodology does not allow for addressing timing delays by the providers who are identified as providing service. This is a very unfriendly process for consumers.
 - Christine identified concerns with delays in the BEAD funding. Vermont can't afford those delays.
 - Christine noted ECFiber's debt load as a concern. The VCBB funds new construction but not existing debt for those who have already funded their builds. The VCBB would like to be able to assist with reducing debt load in these situations to reduce the cost of entry and promote affordability.

IV. Introduction to NTIA Federal Program Officer

Christine Hallquist introduced Clay Purvis as the new NTIA Federal Program Officer. Clay was previously the Director of Telecommunications and Connectivity at the Vermont Department of Public Service. He will be working closely with the VCBB team to ensure the Digital Equity and BEAD programs are successful in Vermont. Clay gave a brief presentation with a high-level overview of the BEAD and Digital Equity programs.

The VCBB had the opportunity to ask questions:

- Holly asked if they have received direct funding requests from telecom providers in the state of Vermont.
 - Clay indicated that there hasn't been anything for BEAD or Digital Equity. There could have been some applications through the Middle Mile Program but that is not the focus of his position currently.

- Patty asked if there is anything the VCBB should be aware of in the immediate future.
 - Clay indicated that mapping is a long-standing issue that the NTIA is monitoring. As the NTIA gets into the planning process he will want to be in close contact with staff to make sure it works for the VCBB.

V. VCBB Staffing Review/Evaluation

Christine Hallquist announced that Stan Macel, General Counsel, is leaving the VCBB on January 16th to work for the Vermont Department of Financial Regulation.

Adam Bornstein, Broadband Project Developer, will be leaving the VCBB to start a new job as CFO for the Green Climate Fund <https://www.greenclimate.fund/>.

The team is working on a plan to replace them and wish them the best in their new careers!

Patty Richards invited the Board Members and VCBB Staff into Executive Session due to the fact that premature general public knowledge would clearly place the public body, or a person involved at a substantial disadvantage (1 V.S.A. § 313(a)1)

The Board returned from Executive Session at 2:37pm, and Patty Richards confirmed that no actions were taken.

VI. Board Consideration of Legislative Priorities

Christine presented one legislative item for discussion. She proposes that the VCBB support the Governor's Budget Adjustment Act to ensure that the VCBB receive its \$30M commitment as a match to the Middle Mile Program. There are no legislative changes proposed outside of this proposed support.

Laura indicated that it might be a good idea to put out a joint statement with VCUDA in support of the Governor's Budget Adjustment Act.

VII. Presentation of Annual Report to Legislature

Christine Hallquist introduced the VCBB Staff's presentation of the Annual Report that will be submitted to the Vermont Legislature on January 15th 2023. The presentation was a high-level summary of what is in the annual report.

The report/presentation noted that the main areas of focus for calendar year 2022 were:

- Capacity – Build internal VCBB capacity while assisting the Communications Union Districts (CUDs) to have the capacity and funding to carry out the goals of Act 71 and comply with federal grant requirements.
- Construction - Commit funds to enable eligible providers to construct networks and connect addresses as part of their Universal Service Plans.

- Performance and Accountability – Increase accountability and oversight to ensure ongoing financial success of all grant recipients, including support and review of individual CUD business plans.

Also included in the presentation was an overview of the operating and financial statements, grant award summaries, CUD progress narratives, summary of efforts to secure additional funding, and a summary on the state's progress toward meeting the goal of 100/100mbps broadband service.

Stan Macel concluded the presentation with a brief summary of the Special Legislative Report on State Assets which includes an analysis of 30 V.S.A. § 8086(c)(3), particularly with regard to the removal of the requirement that ownership of grant-funded network assets be transferred to the State if a grantee materially fails to comply with the terms and conditions of a grant. The VCBB conclusion is that based on the staff analysis that publicly funded network assets are not at risk of privatization due to financial insolvency or default.

Holly Groschner provided feedback on the portion of the presentation that outlines carrier service areas and potentially lends credibility to their maps that may or may not be accurate. Christine agreed with this feedback and plans to take that portion out of the report.

At the conclusion of the presentation Patty Richards gave Holly Groschner the floor to discuss her concerns with affordability. Holly noted that the VCBB is not monitoring the rates for their affordability; however, the VCBB is promoting affordability through grant funding which does not address the problem completely. Holly's concern is that the messaging by the VCBB is indicating that the affordability problem has been addressed when it hasn't been fully through subsidies. Christine and Holly will continue this discussion with Christine providing further support for the VCBB affordability position.

VIII. Pre-Construction Grant Amendments

Patty Richards left the meeting briefly during this portion of the meeting at 3:11pm, delegating meeting facilitation to Dan Nelson in her absence.

The board was asked to review two proposals for increasing Pre-Construction awards to Maple Broadband and Northwest Fiberworx. After a brief review, the following actions were taken:

- **Maple:**

Holly Groschner made a motion to approve Maple Broadband's Pre-Construction Amendment for an additional \$1,227,883 in funding. Dan Nelson seconded. The motion was unanimously approved. Patty Richards was not present for this vote.

- **NWFX:**

Holly Groschner made a motion to approve NWFX's Pre-Construction Amendment for an additional \$616,790.69 in funding. Laura Sibia seconded. The motion was unanimously approved. Patty Richards was not present for this vote.

IX. VCUDA Update

Patty Richards returned at the beginning of this section at 3:19pm and resumed meeting facilitation from Dan Nelson.

Rob Vietzke provided an update for VCUDA:

- CVFiber had a launch event on December 21st in Calais and is well underway with construction.
- DVFiber started construction at the end of 2022 and was able to connect their first customers by year end.
- Maple Broadband now has its first terminal up and is in a position to turn on service to their first customers.
- NEK Broadband is now up to 500 passings.
- Accurate FCC mapping is very important to the CUDs for address and fiber discrepancies. The timeline is a concern for successful challenges.
- Tuesday January 31st will be legislative day for the CUDs.
- The Make-Ready Working Group is planning to meet with one of the power companies that has had some delays and questions. This is an issue that could delay construction and needs immediate attention.
- Each CUD has been asked to put forward members to assist with discussing the shared financial expert position to better define that role and the needs that should be served by that position. As complexity increases with funding sources this will be even more important.
 - Holly noted that during the previous board meeting the board approved staff to apply for the \$2.5M in Northern Borders funding.
 - Rob V. noted that as part of that proposal there was a dollar amount identified for this position or contract, and it needs to be better defined to ensure the funds are used in a precise and appropriate way.
- The \$100M in NTIA funding does not yet have a date for release but it is important that the State has a process to get this money moved into the Broadband fund as soon as it is available to do so.
 - Holly Groschner inquired as to whether there are certain concerns in regard to this funding?
 - Rob V. noted he is most concerned with the mechanical process of getting these funds released in a timely manner.
 - Alissa Matthews clarified that the full \$100M will not be released to the State of Vermont all at once. Only 20% of the total allocation will be initially released once the VCBB submits its original proposal.

X. Staff Updates

- General Updates
 - Weekly reports have been provided to the Board and there is nothing additional to note.
- Press Coverage
 - Herryn Herzog presented a summary of media coverage since the last board meeting that can be found in the board packet.
- Dashboard Review
 - Alissa Matthews shared the updated VCBB dashboards and reviewed the additional data layers. Public dashboards, maps and data layers are continually being posted on the VCBB Hubsite <https://explore-vcbb.hub.arcgis.com/>

XI. Public Comment

Public comments were provided by:

- Charles Baker (Executive Director of the Chittenden County Regional Planning Commission): He noted that RPC staff will be supporting the newly formed Chittenden CUD. Their first Board meeting was held last week to organize. He wanted to give the Board a chance to ask any questions.
 - Patty Richards: Who is the contact for the new CUD?
 - Charles noted that he is currently the contact and that the Board should treat the RPC staff as staff for the CUD as of now.

XII. Parking Lot

Christine Hallquist reviewed the current items in the parking lot noting that the Federal Delegation attended January 9th meeting so that item can be closed. She also noted that she will add the affordability conversation to be discussed at next Board Meeting.

XIII. Confirm Date and Proposed Agenda for Next Regular Meeting & Motion to Adjourn

Patty Richards confirmed the next Board Meeting will be February 13, 2023, from 12pm-4pm. Patty made a motion to adjourn. Dan Nelson seconded, the motion was unanimously approved, and the meeting was adjourned at 3:49pm.