

Vermont Community Broadband Board Meeting
Monday, May 13, 2024, 12:00pm to 4:00pm
Meeting Minutes

I. Meeting Call to Order, Roll Call, and Approval of Agenda

Patty Richards called the meeting to order at 12:03pm and completed roll call:

- Patty Richards (Remote)
- Laura Sibia (Remote – left the meeting at 2:44)
- Brian Otley (Remote)
- Holly Groschner (Not Present)
- Dan Nelson (Remote)
- Christine Hallquist - Staff (Remote)
- Rob Fish – Staff (Remote-joined briefly around 2:45)
- Toni Clithero – Staff (Remote)
- Heryn Herzog – Staff (Remote)
- Alexei Monsarrat – Staff (Remote)
- Kristina Sweet – Staff (Remote)
- Lucie Fortier – Staff (Remote)
- Alissa Matthews – Staff (Remote)
- Tom Malinowski – Staff (Remote)
- Clay Purvis – NTIA Federal Program Officer

Ms. Richards noted that the next meeting, June 10, will be in person, but still accessible virtually. The location is TBD. She also reminded everyone that the standing meeting is the second Monday of every month. Ms. Richards made a motion to approve the agenda. Mr. Nelson seconded. Ms. Richards noted one typo in the agenda, that has since been corrected. The agenda was approved unanimously (Ms. Groschner was not present).

II. Minutes Approval - 3/11/24, 3/25/24, and 4/01/24

Ms. Richards made a motion to approve the 3/11/24 minutes. Mr. Nelson seconded. It was approved unanimously (Ms. Groschner was not present). Ms. Richards made a motion to approve the 3/25/24 minutes. Mr. Otley seconded. It was approved unanimously (Ms. Groschner was not present). Ms. Richards made a motion to approve the 4/1/24 minutes. Mr. Otley seconded. It was approved unanimously (Ms. Groschner was not present).

III. Public Comment – none

IV. Joanne Hovis, CTC – BEAD and Digital Equity Overview, Q&A

Joanne Hovis from CTC gave a [presentation](#) and took questions. She also said that Vermont is at the forefront of most of the states in the nation on

BEAD and DE, in the first third in terms of how advanced the work is that Vermont has done and how far along Vermont is in the process, plus a strong, customized process. Ms. Hovis also said that the level of stakeholder engagement in Vermont is as extensive as she has seen anywhere in the country.

Ms. Richards asked if there is a speed requirement in BEAD for service that is not fiber? Ms. Hovis answered yes, it's 100/20. There will be a need to verify in the applications that the design of the networks is sufficient to meet the technical requirements, which is built into the way the program has been designed and into the scoring.

Ms. Richards also asked what if no one bids for an area? Ms. Hovis said that NTIA's answer to that is that is when you can turn to what they call "non-reliable" broadband service – unlicensed fixed wireless and satellite. Built into Vermont's process is the option for VCBB staff to go and negotiate with adjoining areas and/or existing providers so that the satellite option is truly the last resort.

Ms. Hallquist asked Ms. Hovis to speak about the tight NTIA deadlines and the curing process. Ms. Hovis responded that this has been a very heavy lift for all state broadband offices. There are extensive requirements, and the guidance is changing in real time. There are also tight turn arounds for curing from the NTIA. It will get more intense over the coming year. The final decision for approval is in the hands of the federal government.

Ms. Hallquist asked if there is any advice Ms. Hovis could give us before we go into the Digital Equity Capacity Grant approval process? Ms. Hovis said Vermont is at an advantage compared with other states because we have such a clear vision in our Digital Equity Plan and Program.

Ms. Richards asked if Ms. Hovis could comment on how ARPA policies can fit with the BEAD process. Ms. Hovis said she is seeing this question in other states. There is a much heavier federal hand in BEAD than there is in ARPA. She suggests looking at anything we have done for ARPA that we'd like to apply to BEAD, and ask our legal counsel and staff to analyze if it fits into a BEAD context or not. In many cases it probably will not because the federal government has been so proscriptive about BEAD. She gave an example that 75% of the scoring for BEAD was pre-determined by the federal government. In APRA there was almost complete discretion. Another example is the federal rules around the open and competitive bid process.

V. Digital Equity State Capacity Grant

Britaney Watson gave a [Digital Equity Capacity Grant Planning presentation](#).

Ms. Richards asked how much Vermont will get in the Digital Equity Competitive Grant program. Ms. Watson answered that is unknown. Alissa Matthews clarified that the state will not be directly applying for the Competitive Grant Program. It will be our partners or a regional collaboration that we might participate in that we think might be competitive against other national projects.

VI. DVFiber Construction Grant Amendment

Ms. Hallquist said that staff recommends the Board approve the amendment, but they will go into executive session for the Board to discuss the details because the information is confidential from a competitive standpoint. Executive session will include Ms. Hallquist, Ms. Sweet, Ms. Clithero, and Mr. Monsarrat from VCBB staff; Garielle Ciuffreda, Ann Manwaring, and Steven John from DVFiber; Fletcher Kitrech, Pablo Parola, Tom Cecere, and Matt Brown from GWI; and all Board Members present (all except Ms. Groschner). Ms. Richards made a motion to go into executive session pursuant to 1 V.S.A. s. 313 (a)(1)(A), which protects information concerning contracts where premature general public knowledge would clearly place the public body or person involved at a substantial disadvantage. Mr. Nelson seconded. They approved it unanimously (Ms. Groschner was not present). They went into executive session at about 1:28 and returned at about 2:04. No action was taken in executive session.

Ms. Richards made a motion to amend DVFiber's ARPA Construction Grant by redefining funding for 1010 locations which will be identified as BEAD-funded locations that DVFiber will pursue BEAD funding. Mr. Nelson seconded. The motion was approved unanimously (Ms. Groschner was not present).

VII. NW Fiberworx Act 71 Construction Grant Application

Mr. Monsarrat explained there would be a short segment during public session to define what that request will be and then they will ask to go into executive session to discuss the particulars of the business plan. He turned it over to Mary Kay Raymond from NW Fiberworx, who gave a [presentation about their ARPA Construction Grant Application](#).

Ms. Richards made a motion to move into executive session pursuant to 1 V.S.A. s. 313 (a)(1)(A), which protects information concerning contracts where premature general public knowledge would clearly place the public body or person involved at a substantial disadvantage. Mr. Otley seconded. It was approved unanimously (Ms. Groschner was not present). Included in executive session were: Ms. Hallquist, Ms. Clithero, Ms. Sweet, and Mr.

Monsarrat from VCBB staff; Mary Kay Raymond, Brad Lewis, and Zachary Burdick from NW Fiberworx; Matt Brown, Pablo Parola, and Fletcher Kitrech; and all Board Members (Ms. Groschner was not present). They went into executive session at about 2:13 and came out at about 2:28. No action was taken in executive session.

Ms. Richards made a motion to approve NW Fiberworx's Construction Grant Application in the amount of \$20,200,000. Ms. Sibia seconded. It was approved unanimously (Ms. Groschner was not present).

VIII. Maple Broadband/WCVT and DVFiber BEAD Subrecipient Grant Application

These grants designed as a competitive program to support anyone who needs it who wants to apply for these funds. The Maple application is for \$69,800. It will go to support efforts to submit a joint application and will be used for many things required to submit a BEAD application such as data work, optimizing designs, drafting their application, etc. Ms. Richards asked if this would need to have further BEAD approval under the program after their approval. Mr. Monsarrat answered that no, the overall program has already been approved, and we just need Board approval for these grants. She also asked if this application checks all the boxes of what is necessary for this grant. Mr. Monsarrat answered that yes it does. Ms. Richards made a motion to approve Maple Broadband's request for \$69,800 for BEAD funds as presented. Ms. Sibia seconded. It passed unanimously. (Ms. Groschner was not present).

Mr. Monsarrat explained that DVFiber has applied for \$150,000 to support mapping and business plan development to prepare them for the bid and that will involve how to design the network in a way to maximize the grant funds they already have as well as the BEAD funds. Ms. Richards asked if this needs further approval other than the Board's? Mr. Monsarrat answered no. She also asked if this application checked all the boxes in order to receive the grant. Mr. Monsarrat answered yes. Ms. Richards made a motion to approve DVFiber's request for \$150,000 of BEAD funds as presented. Mr. Nelson seconded. It was approved unanimously (Ms. Groschner was not present).

IX. ARPA Funds Update

Tom Malinowski gave an [ARPA Funds Update presentation](#), the purpose of which was to understand what ARPA funds are remaining so that the Board can obligate them by the deadline at the end of 2024 and not lose them. Ms. Hallquist clarified that their intent was not to ask for a vote, but to educate the Board. Mr. Malinowski said staff is recommending shifting some ARPA funds that will be paid to ECFiber from CPR to SFR. Ms. Richards asked if that would cut anything from any other CUDs. Mr. Malinowski said no. Ms. Sweet clarified that the amounts of allocations to CUDs are not changing, but they might move buckets from which funds are coming, so they can use the SFR

funding more quickly. Mr. Nelson asked if this is a back-end financial management issue and not actually taking money from anyone? Ms. Sweet answered yes. Mr. Fish joined to clarify that this is just moving between different funding sources. Ms. Richards said that is helpful but asked that we please make the CUDs aware in case there is an issue with moving their funds to a different source. For example, there could be requirements or restrictions on how the money from certain sources is spent. Mr. Otley asked if the federal government audited this, would we have any risk? Ms. Sweet answered that we won't start reporting on the funds until there is a grant agreement for them. Mr. Fish added that where we pull the funds from is our decision. Ms. Richards asked that staff verify with the relevant federal agency that it is permissible to change the funding source from ARPA CPF to SFR. Also, she asked that we get VCUDA/CUDs' reactions to this.

Ms. Hallquist said we will have \$3.12 million left over. Ms. Richards said we want to make sure we spend the money. Ms. Richards asked about the timeline for a recommendation from staff. Ms. Hallquist said they plan to get a recommendation to the Board at the June meeting.

X. VCUDA Update (Act 71 related)

Rob Vietzke gave the update that the CUDs filed to intervene on the CCI docket as it is being acquired by a private firm and taken private. The CUDs want to be sure they retain their commitment to their contractual terms, continued attention to make ready, and that the private company is making a commitment to invest in CCI and where that investment will be made. The CUDs would like to meet with the VCBB Board to have input on their Affordability Policy. And the CUDs would like to understand the whole ARPA picture as soon as possible so they can plan for the next 18 – 24 months. Also, CVFiber now has its 250th customer and Lamoille is starting construction today.

XI. Public Comment –

Irv Thomae commented that if there is extra SFR money, the Board should consider implementing a one-year extension of the ACP within Vermont.

Christa Shute, NEK Broadband, said there are differences between the SFR and CPF funding sources. She also said they welcome other entities and organizations to join their digital equity coalition to apply for the competitive grant that cannot be led by the state.

F. X. Flinn, ECFiber, said that he does not support Mr. Thomae's suggestion to put the unused money toward extending the ACP in Vermont. He would like some of that money to be put toward ECFiber to build out its network because that will have the longest-term ability to reduce the cost of internet services in their district given the fact that they've already borrowed \$70 million. He is asking for a special meeting of the VCBB Board with their Board

in two weeks to go over that. He also mentioned that several CUDs have committed to extend the ACP for the month of May.

Lisa Birmingham, Lamoille, FiberNet, echoed Mr. Vietzke's comment that the CUDs need to be able to plan for both kinds of ARPA funds.

Ms. Shute returned to say it would be helpful to have a special meeting in May.

XII. Parking Lot and Scheduling Special May Meeting

Ms. Hallquist said they are proposing a special May meeting (held the first week of June) to take a look at the budget and anything else the Board would like to discuss. Ms. Richards said she would like to stick to once a month. Mr. Nelson and Mr. Otley said they both agree.

Ms. Hallquist reviewed the parking lot, which is included in the [Board Packet](#).

Ms. Shute asked if she could have an executive session with the Board. Ms. Richards responded that it can wait until the June meeting.

XIII. Board Review – Executive Session

Ms. Richards made a motion to move into executive session to discuss personnel matters under 1 V.S.A. s.313(a)(3) (3), authorizing a public body to hold an executive session to consider personnel matters. Mr. Nelson seconded. It was approved unanimously. (Ms. Groschner and Ms. Sibia were not present). They went into executive session at about 3:35. They did not come back into public session.

Action Items-

- Verify from federal agency that changing funding source from ARPA CPF to SFR is permissible.
- Get VCUDA and CUDs' reactions to that.
- Give Board a recommendation at June meeting for how to spend remaining ARPA funds.