

# Vermont Community Broadband Board Meeting

## June 14, 8:00am – 11:15am

### AGENDA

Meetings are being held virtually.

[Click here to join the meeting](#)

Join by Phone; +1 802-828-7667,,389833626#

*Note: there may be additional executive sessions as needed*

- 8:00 1) Meeting Call to Order, Roll Call, & Approval of Agenda
- 8:05 2) Board Review of Negotiations
- Report Back on Mediation (Dan)
  - Staff Recommendation (Christine)
- Executive Session: 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)*
- 8:20 3) GoNetspeed (Otelco) Appeal & Negotiations Update
- Executive Session: 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)*
- 8:40 4) Maple Broadband Negotiations Update – Maple Broadband, CTC
- Executive Session: 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)*
- 9:10 5) Approval of the May 23, 2022 draft minutes
- 9:20 6) Review and Evaluation of Appeals Process
- 9:45 7) Budget Review & Approval
- 10:15 8) Staff updates
- Grant Programs
    - Grant Agreements
    - Tilson Pre-proposal Appeal Notification
  - GIS & Database Systems
    - Data definitions & reporting guidelines shared with CUDs
    - Exploring systems to use for challenge process
- 10:30 9) VCBB Board Meeting Schedule for Summer 2022
- 10:40 10) VCUDA update
- 10:55 11) Public Input
- 11:10 12) Parking Lot
- 11:15 13) Motion to adjourn

Press inquiries; please contact Rob Fish, [Robert.fish@vermont.gov](mailto:Robert.fish@vermont.gov) 802-522-2617



Board Packet Executive Summary

June 13, 2022

Christine Hallquist, Executive Director

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### **Maple Broadband Grant request**

#### **Mediation meeting with Gonetspeed and Maple**

Dan Nelson will provide his perspective on the meeting.

Maple and OTELCO/GoNetSpeed met for three hours. Maple clarified that the problem is both a) the losing the grant funds for the four towns; and b) More importantly, losing the expected income from those addresses since those towns had the highest density and other towns were heavily cabled or very low density.

GoNetSpeed revealed that they are in the process of building out the best 111 miles with fiber regardless of Maple's plans and will build out the rest with VDSL unless grant dollars will fund fiber. Maple would have to build through the fiber to reach these lower density addresses.

Discussions focused on ways to address the loss of expected income. While the gap was narrowed, a solution agreeable to all parties was not found at this first meeting.

### **Maple Broadband Grant Request**

In light of the fact that staff is continuing to have discussions between Maple Broadband and GoNetSpeed we are withholding recommendation allow negotiations to continue. Staff will provide a recommendation and update at the Board meeting.

### **Budget – Request for approval**

This budget is based on currently known funds and does not include up to \$5 million available for planning for BEAD. One of the items that the NTIA will be reviewing is the state's capacity to carry out the goals of the BEAD program. Additional personnel were requested and approved by the

legislature to ensure that Vermont has the capacity for the program. Those positions are included in the budget. Any funds not spent as part of planning can be applied to infrastructure. Therefore, this budget is careful to ensure that as much funds can remain for infrastructure.

The Operating budget comes from carry-over from the 2022 budget year plus allocations for the 2023 budget. This includes the Universal Service Fund, the Northern Borders Regional Commission Grants, as well as carryover from the Connectivity Initiative.

The Capital Budget comes mainly from the \$116 million appropriation remaining from the 2021 ARPA allocation from the legislature plus the additional \$95 million ARPA allocation anticipated to be allocated from the 2022 legislature. \$1.5 million shall be used for the VCBB budget per ACT 71. Also included are other funds that have been committed to the VCBB. This budget is adequate to meet the needs of the VCBB to the middle of 2023 and provide construction funds to enable the CUDs to continue building into 2024. This viability will enable the CUDs to obtain additional funds to meet their goals. Additional revenues will help drive down the cost of the network, resulting in lower cost to consumers, which helps meet the state's affordability goals.

The budget addresses key support activities that are needed to ensure the state of Vermont meets its goal of getting every 100/100 Broadband service. There are two additional limited-service positions included in the budget. Costs and additions are highlighted in italic. Key areas of focus for this budget include:

- Providing technical support to the CUDs to ensure resilient designs and quality construction. *This includes \$390K for a ¾ time Fiber Optic Engineer. The VCBB will investigate bringing this on as a position which would significantly reduce cost.*
- Progress reporting to the Board, Administration, and Vermonters. *There is \$200K allocated to GIS support to help put this reporting process in place.*
- Workforce development and training to ensure adequate labor supply as well as growth opportunities for Vermonters. *There is \$610K budgeted for training. The state needs 216 additional fiber techs at a training cost of \$12K each. That amounts to over \$2 million need. The budget also includes \$5k incentives for 60 fiber techs as incentives to work the entire season. The VCBB is going to see additional training funds from other sources as well.*
- Funds to enable pre-purchasing of long lead-time materials to avoid interruption of construction due to material shortage. *This is not an incremental cost as it will be allocated to the Construction Grant of the CUD that will be using the material.*
- Assist the CUDs in developing strategies to help reduce the cost of the network, facilitate partnerships between communications union districts and their potential private partners as well as to help the CUDs in general. *The 2023 budget includes the addition of a Rural Broadband Technical Specialist to assist in this area.*
- Identify State, federal, nonprofit, and any other broadband funding opportunities beyond the BEAD program, assist the CUDs in accessing those funds as well as provide timely and

actionable financial performance reporting. *This will be the role of the Business manager which is an addition to staff.*

- *Funding included to reclassify the Executive Assistant to a Special Projects Manager. This reflect the work that is being done in that role.*
- *The CUD accelerator program was a very successful CUD Board member training program that was delivered from 2020-2021 through a contract with Do North and Northern Vermont University out of Saint Johnsbury. \$65K is allocated to provide another iteration of the program.*
- *The budget provides ~250k for targeted legal support for the VCBB.*
- *The budget provides ~186K for CUD legal support.*

**Vermont Community Broadband Board Draft Meeting Minutes**  
**Meetings are being held virtually.**  
**May 23<sup>rd</sup>, 2022**

**I. Call To Order – 1:41pm**

**Roll call completed by Patty Richards**

Patty Richards, Chair (Remote)  
Brian Otley (Remote)  
Dan Nelson (Remote)  
Laura Sibilila (Absent)  
Holly Groschner (Absent)  
Christine Hallquist - Staff (Remote)  
Stan Macel – Staff (Remote)  
Alissa Matthews – Staff (Remote)  
Robert Fish – Staff (joined at 2:30)

**II. Review of Agenda**

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

**III. Approval of Meeting Minutes**

The Board discussed the May 16<sup>th</sup>, 2022 draft Board Meeting minutes. Patty Richards made a motion to approve the minutes. Dan Nelson seconded, and the motion was unanimously approved.

**IV. Public Comment (continuation from May 16<sup>th</sup> Meeting)**

One member of the public provided input:

- Irv Thomae shared his perspective on Mr. Clark’s presentation from GoNetspeed (Otelco), and stated that there may have been some misrepresentation or confusion around ECFiber’s RPU and the number of customers needed per mile between the two models don’t match up.

**V. Staff Updates**

Christine Hallquist shared an overview of the Governor’s press conference where the VCBB announced the first two Act 71 Construction Grants that were awarded to Bolton and NEK Broadband where a number of press outlets were in attendance. She also provided the update that the Governor appointed Doug Farnum from Finance and Management as the lead for Vermont’s upcoming IJA programing and suggested inviting him to the next Board Meeting. Patty Richards confirmed that it would be great to have him join on June 6<sup>th</sup>.

Christine and Patty also discussed that it would be good to push out the numbers as progress continues and as we lead into the construction grants. The VCBB team confirmed they will find a way to include current progress into the tracking system that is being developed for reporting.

Stan Macel shared the fact that things are quieting down now that the Legislature wrapped up last week. He also shared that VCBB Staff have been providing support to Maple Broadband and GoNetspeed (Otelco) and will be hosting an informal mitigation meeting with all of the parties next week to try and find a mutually beneficial solution.

Alissa Matthews also shared that she was out of the office completing a Project Management Training last week and appreciates the support to do that from the VCBB.

## **VI. FY23 Budget Discussion**

Christine Hallquist shared an overview of the draft Capital and Operations Budgets for FY23 and the importance of getting results by next year. Patty Richards asked if it is the VCBB's goal to obligate all Capital dollars the VCBB has access to by the close of FY23. Christine confirmed that is the timeline we are working on for having the CUDs start construction and that the program is on track to have made significant progress by the end of the year. Christine also highlighted the need to expand capacity of the VCBB Staff. She shared that five positions were approved by the legislature so that Vermont can access as much of the IJA funding as possible to have continued funding available for the CUDs following the current round of funds. She explained the VCBB Staff's most immediate need is an Administrative Coordinator that can ensure invoices and funds obligated and spent are monitored and reported more efficiently than the team can do using the finance systems currently in place especially considering the pace and amount of this level of funding. Christine also provided an overview of the anticipated contracted services that the VCBB plans to bring on to help supplement the team's capacity and provide assistance in specialized areas. Patty Richards asked how the contingency was calculated and Christine responded that it was purposefully low since this will be consultant contracts. Christine also discussed the Training and Education Budget which will cover professional development for Staff and CUDs, training for Board, and workforce development for the labor needed to implement the statewide construction projects.

Christine and Patty discussed the plan to continue discussing the budget and get approval before the end of the FY22 at the end of June.

## **VII. BEAD Presentation**

Christine Hallquist provided an overview of timeline and other details that have now been provided through the BEAD and Digital Equity Notice of Funding Opportunities (NOFO), including:

- the challenge process that the FCC has set up, that will likely go through the PSD and then a secondary challenge process that the VCBB will be required to implement before receiving any BEAD funds
- the goal is for the BEAD funding to allow for continued cash flow for the CUDs to not interrupt construction
- the Digital Equity NOFO includes a planning round, an implementation round, and a competitive round that any applicant can participate in, including EAB

Stan Macel followed up to provide a few issues that VCBB Staff have identified so far while reviewing the NOFOs including lack of details around a low-cost option requirement, a Letter of credit requirement, limitations regarding incidental overbuild, conflict with ACT 71 restrictions on private providers, RDOF limitations on use of funds, and more details needed on the waiver process that is available.

## **VIII. VCUDA Update**

F.X. Flinn was not present and so a VCUDA update was not provided.

## **IX. Public Comment (new topics from the current meeting)**

Two members of the public provided input:

- Irv Thomae continued his comments in relationship to the GoNetspeed (Otelco) appeal and his hope that details of the situation would be seriously considered because it seems to be a

perfect example of cherry picking by the incumbent and it would be his recommendation that the appeal is denied because of the risk it adds to the CUDs model. Brian Otley asked why Irv considers it an example of cherry picking and Irv responded that it is because they have proposed work in the four towns that make Maple Broadband's Business Plan strongest with the highest likely take-rate.

- Ann Manwaring shared the perspective from DVFiber that direct competitors have the same potential impact on all of the CUDs and so the outcome from this first instance will be important to all of the CUDs and their ability to fulfill their Act 71 obligations.

Patty Richards closed the public comment session and discussed the role Dan Nelson would play in the upcoming negotiating meeting. Brian Otley shared that his feeling is that Dan will be providing expertise to try and help the parties work towards a solution.

## **X. Parking Lot**

Christine Hallquist shared the two remaining items in the Parking Lot: Signature Authority of Executive Director and the policy around hiring staff, and confirmed that those will be addressed at the June 6<sup>th</sup> meeting.

Patty Richards mentioned planned time off and asked everyone to submit their summer availability so the Board and Staff can plan accordingly.

Patty Richards made a motion to adjourn. Brian Otley seconded, the motion was unanimously approved and the meeting was adjourned at 2:51pm.

## Act 71 Construction Grant Appeal Process

According to Act 71, § 8086(e) *The Board shall not award a grant to an eligible provider who is not a Communications Union District unless the Board determines that the provider's Universal Service Plan does not conflict with or undermine the Universal Service Plan of an existing Communications Union District.*

The Staff will advise each CUD of the contents of any proposal to provide service within the CUDs' municipal borders and will rely on written testimony from each affected CUD regarding the likely impact of the Applicant's proposal on the CUD's business plan. The Staff shall make the decision whether the Applicant complies with this requirement of Act 71, § 8086(e). A potential Applicant not invited to submit a full proposal because of this clause may appeal this determination to the VCBB Board.

### Evaluating whether the plan "Conflicts or Undermines"

#### Questions Considered on Appeal

1. Whether the Applicant seeking to build in the CUD Universal Service Plan participated in an RFP process or other previous negotiations with the CUD. The Goal of Act 71 is to encourage partnerships. An overview of the Applicant's relationship with the Communications Union District. The Board will consider whether the Applicant replied to RFPs and/or made a substantial attempt to forge a partnership, and any reasons why a partnership was not formed.
2. Has the Board already approved a construction grant application that impacts the proposed town(s)? Y/N
3. Has the CUD submitted evidence of a Universal Service Plan via the Pre-Construction or Construction Grant Program? Y/N
4. Has the CUD submitted a business plan that has been accepted by the VCBB? In Pre-Construction? In Construction Eligibility Screen? Full application? If so, how detailed is the business plan with respect to the town(s) in question?
5. An evaluation of the potential applicant's claim that its proposal does not conflict or undermine the feasibility (business plan) of Universal Service Plan of the CUD.
  - a. What is the impact on the CUD's business plan of losing the % of grant \$ requested?
  - b. What is the impact on the CUD's business plan of losing the expected income from the affected town(s)? Quantify the impact of the ability of the CUD to:
    - i. Reach remaining addresses
    - ii. Cover operation and maintenance costs
    - iii. Provide competitive and affordable service to all residents? I.e. Another company building to only the best address could result in other residents in less dense areas shouldering more of the cost → higher rates.
  - c. How does the applicant's plan impact the overall density of addresses in the CUD?



6. An evaluation of the potential applicant's claim that its proposal does not conflict or undermine the overall design of network designed to provide Universal Service.
  - a. Quantify the impact to the resilience and redundancy of the CUD's network as related to middle mile and backbone.
  - b. What has been spent on preconstruction funds in the affected town(s)?
  - c. If accepted, will the applicant's build harm the CUD by disrupting building plans or require additional expenditures for the CUD's universal service plan? Please quantify the level of impact.

#### **Process**

1. Staff reviews Eligibility Screening submission – Asks CUDs whether the proposed plan would conflict. If the CUD provides adequate written evidence that the applicant's plan would conflict with or undermine the CUD's universal service plan, the VCBB staff rejects the applicant's eligibility screening.
2. If the Applicant appeals the staff's decision, Staff notifies the Board and proposes a path forward. The Board may choose to either act based on the information it has received thus far, or to request additional information from the applicant, the CUD, or from a third-party review.
3. Formal Appeals – Part 1
  - a. Invite Full Proposal – Accept the Appeal -based on the facts presented by both
  - b. Reject Proposal based on the facts presented by both parties
  - c. Encourage mediation
4. Formal Appeal – Part 2
  - a. Rule the current proposal conflicts or undermines the CUD's Universal Service Plan
    - i. Option 1: Formally reject and make a determination that the Staff and Board would not review an application.
    - ii. Option 2: Rule that the application submitted at present undermines or conflicts with a CUD's universal service plan and allow the Applicant to submit a full proposal against the advice of the Board. *Note: The Eligibility Screening was designed to identify conflicts early and reduce the need for an Applicant to spend funds preparing an application highly unlikely to be accepted.*
  - b. Rule the current proposal does not conflict or undermine the CUD's Universal Service Plan
  - c. Postpone and urge more mediation and/or fact-finding based on new information presented.

#### **Alternative Process Considered**

Revise the RFP to remove the Eligibility Screening pre-proposal option and allow all eligible providers to submit a full application. The Board would then address potential conflicts between a CUD and a non-CUD applicant upon submission of the non-CUD's full Application.

- **Benefits:** The board would have more information when it comes to supporting a staff decision. This is the default process anyhow. If a CUD and non-CUD applicant not come to an agreement the non-CUD applicant is going to appeal. The non-CUD applicant is coming to the Board because it could not come to an agreement with the CUD.
- **Risks:** CUDs could face **more** uncertainty regarding potential applicants' plans; Non-CUD applicants would have to submit full proposals to be considered, which would require more up-front cost; the Board could incur additional review costs (however, if every application is appealed, review costs would likely be similar).
- **Challenges:** Rolling applications and the requirement in the RFP to allow the CUD to submit a proposal if another proposal is made for that area.

DRAFT



# Vermont Community Broadband Board

Proposed 2022 Budget  
May 23, 2022

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## 2023 Capital Budget

### Capital Revenues and Sources

Revenue Source	Amount
ARPA Pre-onstruction Carry-over	\$0.00
ARPA Construction Carry-over	\$118,500,000.00
Act 154 One Time Appropriation for Broadband Infrastructure (limits of \$400,000 per CUD)	\$1,500,000.00
Northern Borders Regional Commission State Capacity Grant	\$1,250,000.00
New ARPA Funds	\$95,000,000.00
Universal Service Fund Balance	\$2,800,000.00
<b>Capital Funds Total</b>	<b>\$219,050,000.00</b>

### Capital Expenses

Budget Expenditure Categories	OMB Uniform Guidance Federal Awards Reference 2 CFR 200	TOTAL EXPENDITURES
Construction		\$219,050,000.00
<b>Total Capital Expenses</b>		<b>\$ 219,050,000.00</b>

We are assuming \$55K/mile minus the \$5K already came from pre-construction = \$50/mile from construction grants. This will support 4331 miles of construction.

## 2023 Operations Budget

### Operations Revenues and Sources

Revenue Source	Amount
ACT 71 (including 197507.76 carry- over from 2021)	\$ 1,697,507.76
Universal Service Fund (includes \$700K carry-over)	\$ 1,117,100.20
NBRC Fund	\$ 333,333.33
BEAD Planning Grant	\$ 5,000,000.00
<b>Operational Funds Total</b>	<b>\$ 8,147,941.29</b>

### Operations Expenses

Budget Expenditure Categories	OMB Uniform Guidance Federal Awards Reference 2 CFR 200	TOTAL EXPENDITURES
1. Personnel (Salaries & Wages)	200.430	\$ 1,478,671.20
2. Equipment and Software	200.439	\$ 8,800.00
3. Supplies	200.94	\$ 2,500.00
4. Contractual Services	200.318 & 200.92	\$ 1,085,092.49
5. Training & Education	200.472	\$ 1,024,500.00
6. Board Operational Costs	200.414	\$ 35,600.00
<b>Total ACT 71 expenses</b>		<b>\$ 3,635,163.69</b>
<b>Balance*</b>		<b>\$ 4,512,777.60</b>

\*While the NTIA allows up to \$5 million for planning, unspent funds can be applied to infrastructure.

# Personnel

## 1). Personnel (Salaries & Wages) (2 CFR 200.430) -

Note - Classified positions (hourly) are determined by the total number of hours (hourly pay increments) during the budget period. Unclassified positions (salaried) are determined by total total number of months (monthly pay increments).

Name	Position(s)	Burdened cost	Basis (Yr./Mo./Hr.)	% of Time	Length of time	Personnel Cost
<i>Grants Administrator (PSD)</i>	1	\$49	Hr.	100%	2080	\$ 102,211.20
<i>Executive Director</i>	1	\$ 18,900.00	Mo.	100%	12	\$ 226,800.00
<i>General Counsel</i>	1	\$ 14,325.00	Mo.	100%	12	\$ 171,900.00
<i>Special Projects Manager - formerly Executive Assistant</i>	1	\$49	Hr.	100%	2080	\$ 101,088.00
<i>Boadband Project Manager (funded through NBRC Grant)</i>		\$68	Hr.	100%	2080	\$ 142,272.00
<i>Deputy Director</i>		\$90	Hr.	100%	2080	\$ 187,200.00
<i>Contingency</i>						\$ 100,000.00
					<b>ACT 71 Total</b>	<b>\$ 1,031,471.20</b>
<b>BEAD Capacity</b>						
<i>Director of Regulatory Compliance and Risk Management</i>	1	\$61	Hr.	100%	2080	\$ 126,880.00
<i>Rural Broadband Technical Specialist</i>	1	\$47	Hr.	100%	2080	\$ 97,760.00
<i>Administrative Services Coordinator IV</i>	1	\$42	Hr.	100%	2080	\$ 87,360.00
<i>Digital Equity Officer</i>	1	\$65	Hr.	100%	2080	\$ 135,200.00
					<b>BEAD Total</b>	<b>\$ 447,200.00</b>

## Personnel Narrative

- *Executive Director* duties identified by ACT 71
- *Grant Administrator* will be a pass-through to the PSD
- *General Counsel* duties to handle day to day inquiries from VCBB staff, review contracts, review Board minutes, handle information requests and ensure compliance with Open Meeting Law and Public Records requirements.
- The *Executive Assistant* will be reclassified to a "*Special Projects Manager*" which will more closely match their duties and responsibilities.
- *Project Manager* duties include responsibility for planning, organizing, and directing the completion of projects for the VCBB (examples include Workforce Development initiatives, pre-purchasing of materials, progress and key metric reporting to the Board, Administration and public). The Project Manager will work with the CUDs to support, monitor and assist with timely performance to individual project plans. The project manager will be responsible for coordinating with AOT, the electric utilities and municipalities.123
- *Broadband Project Manager* duties include; programmatic, administration, and technical work involving the overall direction, policy and operations of the VCBB,. Work involves developing policies and implementing strategies to ensure responsible and effective deployment and furthering leveraging of federal funds derived from the Board to ensure a fiscally responsible building out of fiber optic network. In addition to monitoring all grants issued,, the Broadband Project Developer will work with the CUDs to layer various public and private financial instruments (federal, state, private grants loans, and bonds), to accelerate fiber-to-the-home buildouts. The role of the position shifts from leverage primarily private funds to also include preparing the Communications Union Districts for the municipal bond market, competing for other federal grants, and reviewing the finances of proposed projects, and identifying financial tools for creatively solving timing issues with funding labor and material costs. For instance, we led the effort for the prepurchase of 2,000 miles fiber for all CUDs using innovative financing secured via a foundation and a credit union. This likely saved next year's construction season (because of supply chain and new market entry issues) and saved close to \$1M that can be used for construction. Since construction grants were not yet available, a Letter of

## Personnel Narrative (con't)

Credit was on the option for the CUDs to ensure materials were available in Spring of 2022. Similar efforts are being explored for workforce training (and securing workforce for the first construction season – Pay-It-Forward/Impact Investing) and providing a backstop to facilitate the leveraging of over \$40 million in other funds to build a network spanning an entire utilities service area. Since this person will be central to much of the VCBB's operation, we no longer feel that a contract position is appropriate. This raises the cost, but also increases the capacity of entire Vermont Community Broadband Board.

### **BEAD Capacity**

- *Director of Regulatory and Risk Management* - 8 of the 9 CUDs are labeled as "high risk" from a grant recipient perspective due to their infancy. This position will work with the CUDs, general counsel, and outside consultants to guide and ensure that their systems and reporting are in place to comply with the BEAD grant requirements. The position will also be responsible for our ARPA and IJA documentation, reporting, and compliance enforcement.
- *Rural Broadband Technical Specialist* - This position is being re-instated to provide additional technical assistance to all Communications Union Districts.
- *Administrative Services Coordinator IV* - This position will track and report on all obligations and expenses as they are committed as well as work closely with the state systems to ensure timely responsiveness to invoices and payment to the CUDS and Vendors. The position will also assist the Executive Director and other staff in budget development, drafting RFPS, grant agreements, and other correspondences.
- *Digital Equity Officer* - This position will be responsible for all engagements, convenings, reports, and other activities involving entities inside and outside of state government related to digital equity and digital literacy.



# Equipment and Software

## 2). Equipment (2 CFR 200.439) --

Item	Quantity	Cost	Equipment Cost
<i>ArcGIS professional License</i>	<i>1</i>	<i>\$ 3,800.00</i>	<i>\$ 3,800.00</i>
<i>Contingency</i>			<i>\$ 5,000.00</i>
		<i>Total</i>	<i>\$ 8,800.00</i>

# Supplies

## 3). Supplies (2 CFR 200.94) --

Item	Quantity/ Duration	Cost	Supplies Cost
<i>Office Supplies</i>	<i>1</i>	<i>\$ 1,000.00</i>	<i>\$ 1,000.00</i>
<i>Phones</i>		<i>\$ 1,500.00</i>	<i>\$ 1,500.00</i>
		<i>ACT 71 Total</i>	<i>\$ 2,500.00</i>

**Supplies Narrative (State):**

# Contracted Services

## 4). Contractual Services (2 CFR 200.318) & Subawards (200.92)

*Please also note the differences between subaward, contract, and contractor (vendor):*

- 1) Subaward (200.92) means an award provided by a pass-through entity to a subrecipient for the subrecipient to carry out part of a Federal/State award, including a portion of the scope of work or objectives. It does not include payments to a contractor or payments to an individual that is a beneficiary of a Federal/State program.
- 2) Contract (200.22) means a legal instrument by which a non-Federal entity purchases property or services needed to carry out the project or program under a Federal award. The term as used in this part does not include a legal instrument, even if the non-Federal entity considers it a contract, when the substance of the transaction meets the definition of a Federal award or subaward.
- 3) "Vendor" or "Contractor" is generally a dealer, distributor or other seller that provides supplies, expendable materials, or data processing services in support of the project activities.

Item	Contractual Services Cost
<i>Legal Support - (\$600/hr. 20% of 2080 hours)</i>	\$ 249,600.00
<i>GIS Support</i>	\$ 200,000.00
<i>Support (including legal) for CUD's to develop contracts and funding plans) funded through NBRC grant</i>	\$ 186,061.33
<i>Fiber Optic Engineer - (\$250/hr. @75% of 2080 hours)</i>	\$ 390,000.00
<i>Contingency</i>	\$ 59,431.16
<b>Total ACT 71 Contractual Services</b>	<b>\$ 1,085,092.49</b>

### Contractual Services Narrative:

- Legal support is for specialized legal services that will be required by the Board and the staff.
- GIS support will include developing a usable map for the VCBB as well as providing regular updates to reflect weekly progress
- The Fiber Optic Engineer will assist the VCBB in developing standards for construction and materials, provide guidance to CUD in design and construction activities, monitor (light) loss budgets, review performance data and provide overall technical consultancy to the VCBB
- CUD Support for grant and other financing - Additional outside contract work to assist CUDs with grant applications and financing, reduce any conflicts of interest if CUDs are competing for the same funds and both require the same financial advisory services and/or for legal support,

# Training and Education

Description	Quantity	Basis	Cost	Training & Education Cost
<i>Broadband Communities Summit</i>	6		\$ 3,500.00	\$ 21,000.00
<i>Fiber Connect</i>	6		\$ 3,500.00	\$ 21,000.00
<i>Stipend program to attract fiber optic technicians</i>	60		\$ 5,000.00	\$ 300,000.00
<i>Support of State-wide workforce development programs</i>				\$ 610,000.00
<i>CUD Accelerator Program</i>				\$ 65,000.00
<i>Contingency</i>				\$ 7,500.00
				\$ 1,024,500.00

For the Broadband Communities summit and the Fiber Connect Conference, these include scholarships for CUD members to attend.

## Training & Education Narrative (State):

- The CUD Accelerator was a very successful program offered in 2021. This series was developed and funded through a grant from the Vermont Community Foundation. This 9-week program was designed to give CUD volunteer board members a deeper understanding of all aspects of the network development process so that they can be more effective in the decision making in the coming years.

- The amount of money that is budgeted for training and development of fiber technicians is significant, yet still likely to be inadequate. To achieve the fiber construction goals, the CUDs will be building 1800 miles of fiber per year. Half of the fiber will be put on roadside poles, the other half will be off road. A crew of 4 can put up a mile of fiber in 2-1/2 days roadside, a crew of 4 will take 5 days to construct a mile off-road. There are 166 outside working days available per year. That means Vermont will require a total of 162 additional outside technicians. Additionally, Vermont will need 50 technicians to do the drops and customer connections for a total of 216 additional technicians. The estimated cost to provide all the services needed to develop fully certified technicians is \$12K each. If the VCBB fully funded the training, it would cost \$2.6 million. This is why the "Pay it Forward" workforce program is needed.

# Board Costs

6.Board Operational Costs --This category contains items that are directly related to Board Member payments

Description	Quantity	Basis	Cost	number	Other or Miscellaneous Cost
<i>Board meeting per diem</i>	24	<i>2/month/ 12 months</i>	\$ 250.00	4	\$ 24,000.00
<i>Board meeting mileage</i>	500	<i>miles/meeting</i>	\$ 0.55	24	\$ 6,600.00
<i>Additional Board work</i>	5	<i>days/member</i>	\$ 250.00	4	\$ 5,000.00
					<b>Total ACT 71 Expenses</b> \$ 35,600.00

**Board Costs Narrative (State):**

**Proposed Meetings VCBB Meetings – Summer 2022 (yellow)**

**June 14 OTELCO and Maple decision 8am-12pm**

*June 20 (cancel unless needed) – Dan out*

**July 1 Two CUD applications Expected 12pm -4pm – Dan out**

*July 4 No Meeting!*

**July 11 Continue Review applications/IIJA planning grants 12-4**

*July 18 Cancel unless needed – Laura out*

**July 25 - Additional Applications expect 12-4** Patty and Brian out

*August 1 – Cancel unless needed – Patty, Laura, and Rob out*

**August 8- Annual Meeting and Continue Review 12-4**

*August 15 Cancel unless needed - Laura and Holly out*

**August 22 TBD - Holly out**

Note: We could potentially swap the 7/18 and 7/25. Depends on applications received.

#	Priority	Item	Date entered	Assigned to	Resolution and date
18	1	Signature Authority of Executive Director	03/28/22	CH	Will bring for approval at next meeting scheduled in July.
19	1	Policy around hiring staff	03/28/22	CH	Will bring for approval at next meeting scheduled in July.
20	3	Recommendation for designation of an entity for Digital Equity & Affordability Office	03/28/22	CH	Closed. This is being addressed by the Governor's office per a directive from the NTIA. This falls into the responsibility of the VCBB as a subset of the IJA program.
8	2	Policy on "Material Default" see §8086(c)(2)	11/1/21	board	Closed. Issue has been resolved through legislation.
5	3	VCBB Dashboard – to be shared monthly to show progress. What are the milestones?	11/1/21	CH	Closed. Stone Environmental has presented its proposal and the software platform meets the needs.
16	1	Provide Board with impact of Commitment letter	02/14/22	CH	Closed with material pre-purchasing proposal.
17	2	Statewide marketing collaboration with VCUDA	02/14/22	CH	Closed. VCUDA is not interested.
15	2	Provide Benchmarks for what telecom companies spend on Marketing	02/14/22	CH	Will research and present back on 3/14/22 Board meeting
1	1	Budget	10/18/21	CH	Completed. 2021 budget approved. 2022 will be presented in March.
2	1	Overbuild – what is the standard (20% of total served?)	11/1/21	CH	Completed. See Construction RFP Definition
3	2	Business Plans – what is the scope? Will they be updated before construction grants?	11/1/21	CH	Completed. The updated business plans will be included in the Construction RFP responses.
6	3	Fiber purchase – VCBB involvement? authorization? Status?	11/1/21	CH	Completed
7	1	Make Ready Construction – policy: part of §8085 grants or not?	11/1/21	board	Policy established. Make ready construction will be part of the construction grant program.

9	2	Revisiting timeline for VCBB – construction RFP & reporting timelines	11/22/21	RF	Completed. Part of the construction RFP. RFP approved by the Board on 01/03/22
10	2	Sequence assumptions for preconstruction and construction & reporting timelines	11/22/21	CH	Completed. Part of the Construction RFP. RFP approved by the Board on 01/03/22
11	2	DPS 2021 Map – Unserved	11/1/21	CH& board (LS)	Completed
12	1	Confidentiality. Grant Agreement Art 5 (state standard). Is the product of a grant a “public document” – e.g. will we post construction plans?	11/1/21	CH/Legal	The RFP and construction schedules will be public.
13	2	USP & contiguous CUD construction-policy	11/22/21	Board LS/HG	Completed. Addressed in the Construction RFP.
14		Legislative Consideration – Purchase of consolidated services/goods	11/29/21		Not needed.