

Vermont Community Broadband Board Meeting

Monday, August 14th, 2023, 12:00pm – 4:00pm

Draft Minutes

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

Patty Richards called the meeting to order at 12:05 and completed roll call. Patty would like to meet new staff at the September meeting.

- Patty Richards, Chair (Remote)
- Laura Sibilia (Remote)
- Brian Otley – (not present – family emergency)
- Holly Groschner (Remote) *Arriving late @ 12:10*
- Dan Nelson (Remote) *leaving at 1:30*
- Christine Hallquist - Staff (Remote)
- Robert Fish – Staff (Remote)
- Toni Clithero – Staff (Remote)
- Steven Zubkoff – Staff (Remote)
- Heryn Herzog – Staff (Remote)
- Lucy Rogers – Staff (Remote)
- Chance Payette – Staff (Remote)

Patty Richards made a motion to approve the agenda Seconded by Dan. No further discussion.
Unanimously approved by Patty, Laura, and Dan.

II. Approval of Minutes (June 12, July 18, July 28)

Patty Richards made the motion to approve all three sets of minutes, June 12, July 18, and July 28th, seconded by Laura. Discussion and agreement that the language in the minutes concerning the NEK and Maple Construction Grant amendments in item VII (NEK) (subject to VCBB policies including future policies) and VIII (Maple) (subject to being consistent or subject to VCBB current and future policy) in the July 18 draft minutes did not require revision. *Voted unanimously by Patty, Laura, Dan, and Holly.*

III. State of Vermont Emergency Board Decision Regarding Match Appropriation

Will Anderson, from the Department of Finance and Management, discussed the State of Vermont's Emergency Board's decision to reallocate \$20 million of the \$30 million allocated to the VCBB from the General Fund as match funds under Act 145, Section B (a)(28) based upon the understanding that these matching funds were not currently being used and would be returned in the 2024 Budget Adjustment Act in time for use by the VCBB in the BEAD program in mid-2024. Will expressed confidence that the amount will be available given the current revenue forecast, which anticipates a \$78.4 million surplus. Will agreed to report back to the Board concerning the status of the remaining \$10 million allocated by Act 145 and on which other appropriations had been considered when the Emergency Board determined to allocate the VCBB appropriation.

The Board indicated it would prepare a letter to the Chairs of the House and Senate Appropriations Committees concerning the VCBB's interest in the prompt reallocation of these match funds, which is to be added to next month's agenda and to the Parking Lot.

IV. Lamoille FiberNet Construction Grant Application

Staff and CTC recommended approval of both the Pre-Construction and the Construction Grants. Lisa Birmingham, Chairperson of Lamoille FiberNet (LFN), presented the applications and, along with VCBB's consultant, CTC Technology and Energy (CTC), addressed questions from the Board. The discussion concerned the enforceability of an agreement to the retroactive application of future Board policies. LFN could not agree to the same at the meeting, and the Board agreed to postpone its consideration of LFN's Construction Grant application until the next Board meeting. Holly requested staff to provide a redacted copy of CCI and Lamoille FiberNet's agreement in hopes of helping create/drive policy discussions moving forward.

Holly made a motion to grant Lamoille FiberNet's Pre-Construction Grant without caveat in the amount of \$1,369,478 seconded by Patty. No further discussion. Voted unanimously by Patty, Laura, Holly, and Dan.

V. Otter Creek Construction Grant Application

Given the commonalities between the Lamoille and Otter Creek (OCCUD) Construction Grant applications and OCCUD's indication that it would also need to postpone its agreement to the applicability of future Board policies, OCCUD agreed to present its construction grant application at the next Board meeting.

Dan left the meeting at 1:55 pm.

Patty asked if Otter Creek would like to go through their Pre-Construction application. Laura Black explained they were applying for an amendment to their Pre-Construction grant from June of 2022.

Holly Groschner made a motion to approve the Pre-Construction Grant for Otter Creek CUD in the amount of \$1,314,650 without the contingency regarding the accountability policy. Seconded by Patty. No further discussion. Voted unanimously by Patty, Laura and Holly.

Patty noted that the construction grant is tabled, if the CUD would agree to the policy provision, it could be voted on later.

VI. ECFiber Construction Grant Application

Discussion concerning whether Holly should recuse herself given that she previously served on ECFiber's Board, resolved to be unnecessary. F.X. Flinn presented the application and agreed to the application of future Board policies.

Discussion concerned whether applicant had considered what percentage of operating surplus would be put toward construction or lowering costs for consumers, which the applicant considers addressed by the business plan requirement for sustainability rather than surpluses. Holly cautioned that VCBB grant funds should not be used for elevated capacity.

Patty made a motion to approve the construction grant for ECFiber in the amount of \$13,227,657 subject to future policies being developed by VCBB related to accountability. Seconded by Laura. No further discussion. Unanimously approved by Patty, Laura, and Holly.

VII. VCUDA Updates

Moved after VIII

Rob Vietzke introduced their new Program Manager Andrew Tarley. Rob had a constructive comment to have the Board and staff map out what the next few months look like as this policy is developed and provide some predictability. Rob commented about the Emergency Board's decision and how to move forward. VCUDA has filed comments on the Five-Year Action plan. As far as Volume II, one month does feel a little tight for public comment.

VIII. BEAD Update & Intro to Needs based program to Boost the Ability of Potential Sub-Grantees to Participate in BEAD

Rob Fish discussed the needs-based program originally called the CUD Assistance Program. It is open to all applicants with financial needs to conform with the neutrality requirements on the BEAD program. Technical Assistance must be provided to all applicants including small telecom companies, CUDs, and individual Towns. VCUDA is supportive of this program. Would ask for a competitive versus first come first served basis. *No action is needed as the VCBB heard a proposal from staff to change the \$1,000,000 CUD assistance program to a non-restricted application, open to anyone in the state with a bidding process and an RFP process. This was a change directed by the federal funding Agency, not the VCBB.*

Lucy Rogers discussed the BEAD Five-Year Plan. Public comment period has closed. Lucy asked if there were any further questions from the VCBB, they come to her in the next couple days as the Board will be voting on the Five-Year Plan at the next scheduled Special Meeting. The Five-Year Plan is a high-level review of the State's plan. Initial Plan Volume II is where more of the details would be included. Initial Plan Volume I, public comment period closes on Friday of this week. The intent is to have Board and public comment available at the regular September Board meeting. Holly asked that these large documents coming forward not be included in the Board packet, just a link provided to the documents.

IX. Public Comment

Irv Thomae wanted to thank the Board for their support and also wanted to thank F.X. and all the ECFiber Board members for their work. Irv mentioned he believes the BEAD process will not be timely and flow well due to the bureaucratic process.

Lisa Birmingham would like to thank the board for approving their pre-construction grant and would like to schedule their Construction Grant

Laura Black also thanked the Board for its approval of the OCCUD preconstruction grant and requested the opportunity to present its construction grant application at the next Board meeting.

X. Parking Lot

Sub-Committee Assignments.

VCUDA will come back with a list of which CUD members would like to participate and on which sub-committees. Christine will get a list of names of Staff that should be listed on the sub-committees as well. Patty will pull all names from VCUDA and Christine and circulate this list hopefully on Monday, challenging committee members to get a meeting scheduled by the end of next week. Holly mentioned Rob Vietzke's request to have a timeline and Holly was hoping Patty could set some benchmarks to help move everything forward. Patty mentioned she has been working on the ex parte communication policy in consultation with Toni for the next Board meeting. Holly mentioned on that note, she received an email with information on the Otter Creek application from GoNet.

XI. Executive Session

Holly made the motion to enter executive session referencing 1 VSA § 313 a(3).

Staff members Christine Hallquist, Toni Clithero, and Rob Fish are invited to discuss. Patty seconded. Vote was unanimous by Patty, Laura, and Holly. Meeting is adjourned and entered Executive session at 3:35.

XII. Confirm Special Meeting Date and Regular Meeting 9/11 & Motion to Adjourn

Confirming the special meeting for Friday August 25 from 12:00 to 1:00 for approval of the Five-Year Plan for BEAD. September 11 will be the next regularly scheduled VCBB Board Meeting.