

**Vermont Community Broadband Board Meeting  
Monday, August 12, 2024, 12:00 pm to 4:00 pm  
Meeting Minutes**

**1. Meeting Call to Order, Roll Call, and Approval of Agenda**

Patty Richards called the meeting to order at 12:02 pm, and completed roll call:

<b>In Person</b>	<b>Virtually</b>
Patty Richards	Brian Otley
Dan Nelson	Laura Sibilgia (Joined @12:03pm, Left @ 2:35pm)
Holly Groschner	Christine Hallquist – Staff
Rob Fish - Staff	Herryn Herzog – Staff
Toni Clithero – Staff	Ginny Raboin – Staff
Alexei Monsarrat – Staff	
Kristina Sweet – Staff	
Alissa Mathews – Staff	
Lucie Fortier – Staff	

The Chair moved to approve the agenda, seconded by Ms. Groschner and called for discussion. Mr. Fish noted an additional Public Comment on the agenda and suggested removal. Ms. Richards struck item 7 from the agenda. With no other changes or discussion, on a vote of 5-0 the modified agenda was approved.

- 2. Minutes Approval** – The Chair made a motion to approve the minutes of 07.29.2024 Special Board Meeting, seconded by Dan Nelson and called for discussion. Ms. Richards noted all board members were in attendance. With no discussion the minutes were approved unanimously 5-0.
- 3. Public Comment** – Mr. Fish called for Public Comment, with none, Public Comment was closed.
- 4. BEAD Timeline Update** – Mr. Monsarrat shared that Volume 2 was officially approved by the NTIA. With respect to the timeline, he explained it may shift as Staff awaits final approval of the challenge data and cleaning up of the remainder of the ARPA Grants so those addresses can be removed from the BEAD map. The posting of the BEAD RFA will be released next week and Staff is hopeful that will provide ample time for public viewing and comments. A series of trainings will be offered in late August. Staff will be hosting workshops on the requirements of BEAD, reviewing preproposals, and will post the final project area in early November. The full proposal window will open the end of November and stay open approximately six weeks. Mr. Richards asked if the workshops will be dispersed across the State. Mr. Monsarrat advised they would be virtual webinars and scheduled office hours for any

questions that arise. Mr. Monsarrat indicated the role of the BEAD Support consultant will offer staffing support, trainings, sub recipient selection process, mapping and explained as the applications are being reviewed there will be many different scenarios to be reviewed. Ms. Sibilía asked for confirmation that office hours will be held centrally located to reduce travel restraints. Mr. Monsarrat noted there are no requirements for office hours to be in person and that VCBB will host virtual meetings.

**5. Affordability Policy Presentation-** Ms. Hallquist provided a brief introduction and shared her support of this policy. Ms. Groschner noted the work on this policy began in August 2023 and thanked the Board, Staff and Grantees for their patience and support. Ms. Groschner reiterated that the goal of government funding is focused on affordable broadband, and that the VCBB is accountable to evaluate whether the federally funded programs have been able to provide broadband that is affordable for Vermonters. The policy focuses on the balance with sustainable business plans and efforts to implement affordability. This policy seeks to hold the VCBB accountable to continue the conversations on affordability. Ms. Richards remarked that after reading the revised policy she was pleased with the revisions. Ms. Clithero noted there were minor revisions that were raised during the public hearing and brought those revisions forward. Ms. Sibilía noted that affordability is one of seven areas where the board is accountable and shared her support of the current policy. Mr. Nelson noted a further revision on 2 (ii) (c) to remove the word “average” to alleviate driving the average down after discussion the board agreed to the suggested revisions. With no further discussion, Ms. Richards made a motion to approve the affordability policy, (the red lined version with the changes made by the Board), seconded by Ms. Groschner. Ms. Groschner noted for Staff that this is the opportunity to implement the policy by ensuring Board review is looked at carefully to be sure the VCBB is holding itself accountable. She requested that Staff articulate their analysis and shared her appreciation. On a unanimous vote of 5-0 the Accountability Policy for Affordable Broadband Service was approved.

**6. Sustainability Plan- Lamoille FiberNet, OCCUD, SoVT CUD –** Ms. Hallquist opened with thanking the CUDs (Lamoille FiberNet, Otter Creek and Southern VT) for agreeing to participate in the sustainability plan which was a requirement of the grant agreement as well as thanking the cooperative work of Lamoille FiberNet and Consolidate. Ms. Birmingham, Lamoille FiberNet noted all three CUDS worked on this plan in collaboration and explained as a condition of the grant agreement a sustainability plan was created that had four elements: governance and succession planning, compliance and oversight, revenue opportunities and program planning extending over 10 years. Ms. Groschner noted this information is being shared publicly and asked if since it was sent under confidential cover if it should be reviewed in Executive Session. Ms. Clithero advised the information was in draft form with agreements that are not signed thus it was important to deliver the material

under confidential cover. Ms. Richards reiterated the importance of all materials for Board review are sent with the Board packet if not, they risk not being seen. Ms. Birmingham advised her presentation was informing the Board of the Sustainability Plan the CUDs have reached with Consolidated ahead of their request in this meeting for additional funding for the final phase of their Universal Service Plan (USP). To request the remaining ARPA funds the sustainability policy needed to be presented as an underlying condition of the grant to amend it. Ms. Richards welcomed the presentation. Ms. Birmingham continued in the presentation to share the overview of the 10-year strategic collaborative plan that calls for a biennial review of governance and compliance. The approved Master Services Agreement with Consolidated covers change of ownership, asset transfers, defaults and non-renewals through 2044. Lamoille FiberNet executed a MOU with OCCUD and SOVTCUD in 2024, reached an agreement with CCI to fund administration and compliance from 2027 through 2034 and in July 2024 the LFCUD and OCCUD boards approved the 10-year Sustainability Plan. Ms. Birmingham reviewed the 10 Year Sustainability Plan Board in detail. Ms. Groschner responded to the presentation noting the work that went into this plan and recognizing the citizens of the towns are listening to what is promised and ensuring it's delivered. Ms. Groschner noted for the record this plan is sustainability for the CUD and not sustainability of the business plan as part of grant obligations and asked the staff to review sustainability of a business plan consistently. After continued discussion the Board asked the Mr. Dorsey, SoVT CUD and Ms. Black, OCCUD if they objected to discussing the budget in open session, both confirming no objections. Ms. Sibia noted she agreed with Ms. Groschner around the sustainability of business plans and encouraged staff to take that seriously. Ms. Sibia continued stating it is in everyone's best interest to ask CCI to make a onetime payment at the beginning because they had already received the value of the public investment to expand their network. After continued discussion Ms. Richards asked for a spot on the next months agenda to have discussion and questions. Ms. Sibia asked if the Board needed to approve of this plan. Ms. Clithero noted the conditions under the grant agreement have been fulfilled and the Board will need to approve of the Sustainability Plan.

- 7. Public Comment** – Removed
- 8. VCUDA Update** – Mr. Vietzke shared the work with CCI docket continues, they have a working group focusing on detailed policy work needed around affordability and developing formulas and criteria for consumers, subsidies and providers ensuring all needs and sustainability requirements are met. Mr. Vietzke continued to share they are preparing for future programs for fall and into the winter.
- 9. Board Approval for use of DocuSign for per diem expenses** – Ms. Fortier proposed to the Board to consider the process of using DocuSign for invoices to

expedite requests. After brief discussion, recognizing formal Board approval isn't necessary the Board came to the consensus to follow the process as explained.

- 10. Parking Lot Update** – Ms. Raboin updated for the Board the parking lot items completed items 85, 81, 80, 75, 72 and shared the items 87, 62, 59, 58, and 69 that are currently in progress and Staff anticipate addressing in the September Board meeting.
- 11. November 11 – Veterans Day Propose to reschedule 11.04.2024, 11.12.2024 or 11.18.2024** Ms. Raboin noted the November Board meeting is on a holiday and proposed moving the meeting to either November 4<sup>th</sup>, 12<sup>th</sup>, or 18<sup>th</sup>. The Chair confirmed availability of the Board members and moved the November meeting to November 18, 2024, virtually.
- 12. Confirm next meeting date September 9, 2024** – The Chair confirmed the next meeting September 9, 2024, virtually. Ms. Groschner informed the Board she would not be present.
- 13. Public Comment** – Mr. Fish opened public comment. Ms. Sabilia noted Mr. Vietzke, VCUDA had indicated earlier wanting to make a comment. Mr. Vietzke, VCUDA complimented the expanded schedule of the BEAD Timeline and noted VCUDA is looking forward to working on some of the detailed questions about the workshops and scheduling items. With no other comments the Chair closed public comment.
- 14. Broadband Grant Amendment Applications: DVFiber, ECFiber & Lamoille FiberNet** – Ms. Sweet noted three applications were received for broadband grant amendments for the CUDs to use the remainder of their ARPA funds allocated to their Universal Service Plan. Ms. Sweet continued to summarize the amendments and request for funds. DVFiber requested \$11,385 to cover administrative and overhead costs, ECFiber requested \$651,107 anticipating the Construction Grant Funding to be exhausted during stage III of the nine-stage project before returning to the bond market and Lamoille FiberNet requested \$629,352 this will allow Lamoille FiberNet to complete their Universal Service Plan by the end of 2025 and will not need to apply for state match or BEAD funding. Lamoille FiberNet will seek to de obligate \$55,570 of their BEAD Subrecipient Support Grant. Ms. Groschner asked if this was all ARPA funding, Ms. Sweet advised it was. Ms. Groschner asked the remainder of the ARPA allocation. Ms. Sweet noted there are other CUDs are applying for their remainder and by the end of September there would be \$0 to obligate under SRF funding and \$2.6 million under the CPF funding. Mr. Fish noted there will be a proposal for the remaining \$2.6 million in the next Board meeting and anticipates that number would increase by a million and a half. Ms. Groschner asked for recommendations from Staff and noted these grant conditions are becoming increasingly a focus. Ms. Sweet advised the grant amendment applications seem

straight forward; Staff is not seeing any red flags. Ms. Groschner noted the Board has not reviewed KPIs. The Chair asked for clarification if this was an update or recommendation. Mr. Otley asked to table this discussion until after the KPI's have been reviewed by the Board in this meeting. The Chair advised she would not act on any information that was provided in the Confidential Information sent out under cover on Friday, Ms. Groschner concurred. With continued discussion the Chair changed the order of the items to review the KPI's prior to acting on the Broadband Grant Amendments. Ms. Sibilia stated she had a conflict and needed to leave at 2:30pm. The Chair asked Ms. Hallquist to move the conversation to KPI.

- 15.** NEK/CV Grant Amendment – *Executive Session pursuant to 1 V.S.A. s. 313 (a)(6), which protects records exempt from the access to the public records law.* Ms. Shute requested the approval of the assignment of all CVFiber VCBB grant contracts to NEK Broadband dba NEKCV. The governing boards made a motion to approve the final merger on August 15 barring any new information. The second part of the amendment request is to be able to transfer up to \$6 million in inventory and make ready work from the construction grant to either the preconstruction or materials grant of the merged CUDs. There is more than 400 miles of inventory that was purchased in the construction grant that is not currently needed. Ms. Groschner asked since preconstruction doesn't involve materials if the request is the amount of dollars allocated for construction to be moved to preconstruction. Ms. Shute noted that make ready work is in the construction grant and moved to the preconstruction grant and advised 95% is complete. Ms. Shute noted they are not merging their construction grants and until or unless they get the BEAD funding because they do not know they have funding for the whole 71 town district. They are keeping the construction grants separate to be sure they are allocating the funds to the service area appropriately as well as utilizing the 400 miles of inventory that is being stored, some of which with warranties that are in process. It is unknown at this point what the BEAD allocation could be and how much inventory will stay in the CVFiber district. Ms. Shute continued this model was a concept that VCBB authorized previously, the ability to move funding from one type of construction to preconstruction or materials as necessary to meet the needs of the CUD, the proposed approach is in alignment with that concept. Ms. Groschner asked if the preconstruction grants are moving. Ms. Shute stated the preconstruction grant will become a 71 Town preconstruction grant under the name NEK Community Broadband dba NEKCV. Ms. Clithero noted for the record the DBAs are three separate Northeast Central, NEK Broadband and CVFiber, not NEK/CV Fiber. Ms. Shute noted the branding process will begin after they have gone through the BEAD process. The DBA will be NEKCV, and they have secured nekcv.org, after BEAD they will proceed with combining the brand. Ms. Groschner referenced CVFiber document stating reduced the remaining number of miles to build to roughly 60 and asked how it impacts universal service in that district. Ms. Shute responded universal service is more achievable together than it was individually, and the original grant provided for 2101 eligible addresses, the current grant provides for 2101 addresses taking areas from the original grant and allowed for other unserved places advising they were able to get to 2101 eligible passings with fewer miles. Ms. Shute continued to note with rural electrification and using the hypotenuse of two

location they saw a 30% reduction in miles. Ms. Groschner asked if independent providers are taking their lines out of the fields and back to the roads how that may impact their plan. Ms. Shute advised GMP is the only entity that's done, which is a small part of the territory. GMP provided the tariff rider credits that CVFiber was able to take advantage of making it easier miles to complete. Ms. Shute noted they do have arrangements with every electric utility that if there is any underground CVFiber is notified and conduit and handholds are placed in the trench while it is open. Ms. Richards asked if there was a request of the Board. Ms. Shute read the motion; CV Fiber and NEK (Community) Broadband seek an amendment to the Construction Grant number 02240-FY-22-Act71Const-03, providing service to the address list of 2,101 Eligible Addresses, to change the grantee name from CVFiber to NEK (Community) Broadband dba NEKCV effective upon an affirmative vote on August 15<sup>th</sup>, under 30 VSA 3052a, by both the CVFiber and NEK (Community) Broadband Communications Union District's Governing Boards to approve the Final Merger Plan and approval to move up to \$6M in inventory and preconstruction amounts in the construction grant to the preconstruction and materials grant of the merged district. After continued discussion Ms. Richards accepted the motions separately. Ms. Groschner made a motion for the VCBB to accept CVFibers request to transfer its grant agreements with the VCBB to NEK (Community) Broadband conditioned on the affirmative vote of the governing boards of CVFiber and NEK Community Broadband on August 15<sup>th</sup> seconded by Ms. Richards, motion carries 4-0. Ms. Shute noted for the Board the second motion for approval is moving funds out of this construction grant and into other grants of the merged CUDs to utilize the inventory. Ms. Hallquist stated it is prudent to use this material before the BEAD program is in place. Ms. Clithero noted Staff does recommend the material transfer along with the grant agreement. A portion of construction grant number 02240-FY22-ACT71Const-03 will be transferred into NEK Preconstruction grant 02240-FY21-ACT71PREC-07. Ms. Groschner made a motion that Construction grant number 02240-FY22-ACT71Const-03 of the total \$12.3M up to \$6M will be transferred into NEK Preconstruction grant 02240-FY21-ACT71PREC-07 seconded by Ms. Richards and asked for discussion. Ms. Groschner noted not having the same staff analysis if the Board had made the preconstruction grant initially. Mr. Monsarrat noted that Staff has conducted the usual review of the material and including both proposed network changes and financials. Ms. Fremin noted reviewing the NEK CVFiber merger information including network design and financials advising their current model does show they would be financially viable under a merger with conservative take rates. Ms. Shute added that as a merged entity they would be able to reduce the rates faster then if they were not merged thereby reaching affordability for more people quicker. Ms. Groschner stated, "It is warranted to say that while this has been a stressful time of reevaluation that these parties are to be commended for their collaboration and their Boards and all the other volunteer work that went into accessing the greater common good, it's really admirable." Ms. Richards concurred and asked for Ms. Groschner's statement to be written into the minutes. With no further discussion, on a vote of 4-0 the motion passed unanimously.

**16.** KPI Scorecard - Monthly Update – Alexei Monsarrat *Executive Session pursuant to 1 V.S.A. s. 313 (a)(6), which protects records exempt from the access to the public records law.* The Chair made a motion to move into executive session pursuant to 1 V.S.A. s. 313 (a)(6), which protects records exempt from the access to the public records law seconded by Ms. Groschner by unanimous vote the board went into executive session at 1:48pm and returned at 2:41pm. Ms. Sibia left the meeting at 2:35pm.

The Chair moved back to item 14 and advised the Board would be reviewing these individually.

DV Fiber requested \$11,385; the Chair moved to approve DV Fibers request conditioned on data required to VCBB Staff for KPI compliance, seconded by, Mr. Nelson and opened for discussion. With no discussion, the Chair noted during executive session reviewing the documents and was prepared to take action. On a vote of 3-0 the motion carries with Ms. Groschner abstaining.

EC Fiber requested \$651,107; the Chair made a motion to approve that request conditioned on providing the data required to VCBB staff for KPI compliance seconded by Mr. Nelson and asked for discussion. With no discussion, on a vote of 3-0 with Ms. Groschner abstaining the motion carries.

Lamoille Fiber requested \$629,352; the Chair made a motion to approve the grant request conditioned on providing the data required to VCBB Staff for KPI compliance and VCBB's Boards approval of the MOU as presented today seconded by Mr. Nelson and asked for discussion. Ms. Birmingham noted they had a sustainability plan, and the MOU is a contract between CCI and the three CCI's, which the VCBB Board would not approve. Ms. Birmingham continued it is the plan in compliance with the grant condition they are seeking approval for, which is included in the MOU. The Chair made a motion to amend the second condition to VCBB Boards approval of the sustainability plan as presented today, seconded by Mr. Nelson and asked for additional discussion. With no discussion on a vote of 3-0, Ms. Groschner abstaining the motion carried.

Ms. Groschner noted that the Board is very interested in reviewing the KPI. The Chair reiterated the Board is very interested in the KPI's and is using the information collected to appropriately allocate grant dollars.

**17.** Board Executive Session 1V.S.A. § 313 (a)(3), authorizing a public body to hold an executive session to consider personnel matter. Prior to going into Executive Session, Ms. Groschner commented the Board has now allocated all ARPA funds. Mr. Fish noted there is remaining unallocated CPF funds stating there is a plan being developed in consultation with CUDs for a drops program. This will assist with the affordability barrier posed by underground and long drops and will be presented

in the September Board meeting. Ms. Groschner noted she would not be available to be part of that conversation in September.

Ms. Richards stated the board was going into Executive session at 3:28pm and did not return to public session.

## **18. Adjourn**