

1 **Northwest VT Communication District Governing Board Meeting**
2 **March 3, 2022 at 6:00pm-Meeting Minutes**
3 **Virtual Meeting**
4

5 **Attendance**

6 See Attached.
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8 **Call to Order and Adjustments of the Agenda**

9 Chair E. McGinley called the meeting to order at 6:02 p.m. followed by roll call. A quorum was present to
10 conduct business. No adjustments to the agenda.
11

12 **Public Comment**

13 Matthew LeFluer announced his presence as a member of the public from Alburgh Vermont but had no
14 comment.
15

16 **Approval of Minutes**

17 M. Kravetz had changes to the 2/3/22 minutes. Page 1 line 34 the word "had" should be "and". Page 1
18 line 45 should be changed to clarify that it was the candidate that stopped all communications not
19 NWFx. Page 3 line 34 should be clearer on who asked the board. Page 3 line 40 "USDA reconnect"
20 should be clarified to reflect that it is a Grant Program.
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22 *M. Kravetz motioned to approve February 3rd minutes once amended. E. Grims seconded. Motion*
23 *carried.*
24

25 **Treasurer's Report**

26 B. Lewis reviewed the treasurer's report for February 2022 via shared screen. B. Lewis reviewed activity
27 through People's Trust Company and Vermont Federal Credit Union and reminded the board that we
28 are still transitioning to Vermont Federal Credit Union so most expenses came out of Vermont Federal
29 Credit Union, but we do still have some coming out of People's Trust Company. There was an ending
30 balance of \$189,483.51 in PTC as of 2/28/22. An ending balance of \$81,974.73 in Vermont Federal
31 Savings, and a \$5 ending balance in Vermont Federal Checking as of 2/28/22. Z. Burdick asked why we
32 were switching banks. B. Lewis answered that Vermont Federal connects better with QuickBooks than
33 PTC. B. Lewis reviewed February expenses as well as the balance sheet, to summarize \$301,463.24 in
34 total assets, and \$301,463.24 in total liabilities & equity. M. Inners asked if we have unrestricted assets
35 or is this it. B. Lewis answered that we only had the VCF funds, but we exhausted all of that and the
36 balance sheet reflects what we have left from grants. B. Lewis went over the Profit & Loss sheet with all
37 the profit and losses broken out. M. Kravetz asked what exactly "Insurance-Cyber Network Security"
38 is. S. Kio answered that it was a necessary coverage through the state of Vermont that covers all of our
39 data and allows us to operate. M. Kravetz wondered if we have the threat of a cyber-attack. S. Kio
40 answered that we are protected at this time, and we have taken steps to protect our electronic assets
41 that we hold and our public data, we pay for additional VPN services and firewall. E. McGinley noted
42 that we should not go into further detail with this in a public record for security reasons.
43

44 *D. Stanley motioned to accept the Treasurer's Report. K. Lantz seconded. Motion carried.*
45

46 **New Representatives-Grand Isle**

47 Michael Inners introduced himself and stated that he has been working on getting better internet
48 service for himself since 1999, he does have a technical and legal background to bring to the board.

1 Peter Southwick introduced himself and stated that he joined under interest. He has a background in
2 technology, he is a network architect and author and certified with many vendors and equipment.

3
4 E. McGinley welcomed them and thanked them both for joining the board.
5

6 7 **Approval of Personnel Policy**

8 S. Kio explained that NWFx needs a personnel policy as we now have multiple employees, and we are
9 ready to present our personnel policy to the board for approval.
10

11 M. Kravetz commented that the PTO Policy should be explained, as it refers to PTO time and vacation
12 time in the same policy. We should be consistent in choosing one of those terms to use.
13

14 E. McGinley stated that we should clarify the Alcohol & Drugs Policy, as the way it is written seems like
15 employees can't drink at all instead of stating they cannot drink or use drugs while working. He also
16 asked for clarification on the 5% bonus for the IRA, S. Kio answered that the simple IRA was the best
17 route for us to go as a small company, but the small company with a simple IRA would be capped at 3%
18 contribution, but we have added in the 5% as a work around to get to the 8% contribution that was
19 agreed on. E. McGinley stated he will go back and look at the employer contribution as he thought it
20 was 3% not 8%.
21

22 P. Southwick suggested that regarding holidays we might want to have floating holiday instead of just
23 the day of, also, a better definition of the company's contribution to the IRA.
24

25 S. Kio suggested that since PMO is next week, we can have that subcommittee run through the
26 personnel policy. E. McGinley stated that if anyone else has more input to send it to Sean and himself
27 and they will come up with revisions. The board can approve this at the next meeting, or we can hold an
28 Executive Committee meeting.
29

30 Several board members agreed the personnel policy was well done.
31

32 **Executive Director Report**

33 S. Kio Reported:
34

- 35
- 36 • It has been a busy month with working through our partnership with Lamoille. We were close to
37 doing a public release with our business plan, but Lamoille was not ready. Now they seem to be
38 in a better place, and we will know after their own meeting tonight what their intentions are
39 moving forward.
 - 40 • Would like to put together a working group with Lamoille and have the working group be
41 weighted in our favor as we are tied together with Lamoille CUD for our project scope. NWFx
42 will make up roughly 68% of the project so NWFx will have an additional seat at the table with
43 Lamoille. Zach was first to express interest, however Mary Catherine, Everett, and Michael
44 possibly expressed an interest as well. We will have 4 members at the table. L. Fearing asked
45 that given the responsibilities of that group that we should have board approval of that
46 subcommittee. S. Kio answered that it is not a subcommittee it is just a working group, but we
47 can still have board discussion on who the individual should be. L. Fearing asked Sean why we
are tied to working with Lamoille. S. Kio answered that our potential ISP provider requires that

1 we have a certain number of premises for them to work with us, it made sense for the CUDs to
2 collaborate to get to that number to move forward with our current ISP that we are working
3 with. S. Kio stated that our plan is heavily relied on moving forward with Lamoille and a lot of
4 the financial has been built around this proposal. E. McGinley stated we would need to get a
5 fourth person in the working group. Z. Burdick gave his background and discussions with major
6 ISPs is what he is familiar with. Z. Burdick stepped up and took the fourth spot in the working
7 group along with Sean, Mary Kay, and Everett.

- 8 • VCUDA notified us that our fiber is delayed due to COVID illnesses at the factory. Now, we have
9 our delivery date pushed back to September 2022, when it was supposed to be August
10 2022. This doesn't impact our plan for this year regarding construction. NAFX likely to seek
11 other solutions such as preparing our RFP for materials vendor, so we do not have a delay there.
- 12 • Sean attended a presentation by the Vermont Bond Bank that was presented to the VCBB-
13 where we are going to raise the private capital. There should be more grant funds
14 available. Vermont Bond Bank had some illuminating ideas and thoughts, but no certainties
15 there as we need to build a strong business case to get to the point of issuing bonds. We cannot
16 do general bonds we can only do revenue bonds. Also met with the Vermont Community
17 Foundation trying to find solutions for what we can do to have a favorable loan rate, looking at
18 alternatives for the private debt that we will incur with this project.
- 19 • As requested by the VCBB we secured some additional legal counsel who specialized in
20 telecommunications law. Lerman Senter is the firm that we chose, out of Washington DC our
21 local law counsel will still help us. However, this firm was brought in specifically to negotiate
22 with our retail ISP.
- 23 • Working through preliminary requirements for pole applications we needed an affidavit for
24 Green Mountain Power, and we got that completed and notarized and sent into public utilities
25 commission so we can begin to build a profile with Green Mountain Power. We have been
26 engaging some additional broadband consultants to serve as a third-party assessor as we go
27 through this. We have grant funds through H315 and USDA specific for broadband consultant
28 services. The group we were going to go with is now unavailable, so Sean has begun to reach out
29 to some others with experience. This is something we need to secure; we will just need to
30 submit an amendment for procurement.
- 31 • Working through financials with Brad we will need to put out an RFQ for audit and taxes, this is
32 something we have budgeted for. B. Lewis stated that the deadline is May 15th and that this
33 should not take long once we find someone to work with and we should meet the
34 deadline. Brad provided some recommendations to Sean of firms and individuals that might be
35 able to assist us. S. Kio asked the board if they have a recommendation of accountants or CPAs
36 to assist with the audit and tax return to let him or Brad know so they can be added to the RFQ
37 invitation list, preferably both services provided by the same firm.

38 S. Kio asked M.K. Raymond provide an update on NAFX projects:

- 39 • M.K. Raymond stated we are working on VETRO fiber map and working on getting the
40 preliminary data that we can from NRTC and developing our own layers and to have our own
41 data. We have been working on warehousing and Mary Kay wants to network throughout the
42 municipalities as we are trying to secure locations and resources for staging. This will help us
43 put the money into the build, not in housing the equipment for the build. M.K. Raymond will
44 reach out to the town clerks and also do 1:1 municipality surveys herself for us to review for

1 warehousing and surveys. S. Kio clarified that the surveys Mary Kay is referring to is a municipal
2 survey to identify distribution points for our OLT locations or cabinets or huts that would need
3 to go into the community. M.K. Raymond provided her email for any questions or suggestions in
4 these areas, which is ops@nwcud.com.

- 5 • M.K. Raymond has been meeting with utility providers, VEPSA and VEC and getting positive
6 feedback and how we can help them while we are doing pole surveys and applications and lidar,
7 which she explained, goes up into the air and will help us find our poles. Then working on our
8 outside plant design standards, we will work with our provider and our contractors to get to our
9 high-level design with NRTC. Meeting and looking for possible contractors for RFP for four
10 different areas, broken out into separate RFPs. K. Millman asked if we know the status of any
11 tariff pole adjustments committed by VEC or GMP that are committed to other CUD's or is the
12 money still on the table. S. Kio and M.K. Raymond answered to their knowledge, the money is
13 still on the table. Z. Burdick is wondering how much more storage we are looking for to house
14 the spools of fiber. M.K. Raymond answered that she has great news regarding that, and we are
15 already having luck finding some secure spots. Again, she stated our fiber is delayed until
16 September. J. Mester is asking how big the spools are, M.K. Raymond answered they are big but
17 to reach out to her if he can provide a location to secure warehousing or any questions.

18 S. Kio continued to report:

- 19 • General project overview provided for where we are at within the scope of our timeline, the
20 initial timeline was 3-4 years. We are still within the window of many things happening in 2022
21 but we are having some delays and the window is getting smaller, however we are in the
22 margins for things to get addressed this quarter. We will keep working on laying the
23 groundwork on a very successful construction season in 2023, but confident that we will hit a lot
24 of milestones this year.
- 25 • The current proposal is that we do our joint press release 3/9/22, which is public announcement
26 of our model and our retail partner. Lamoille has a meeting tonight so if that goes well, we will
27 have a tentative joint meeting with them on 3/8/22. We have a list of FAQs ready for reps to
28 use as a reference to help them answer questions to the public and have taken steps to prepare
29 ourselves with a new email and phone number for the public to contact NWFEX. S. Kio will
30 communicate with the board and let them know if that will happen but is excited to let the
31 public know what we have been working on. J. Medamana asked if the name of the ISP will be
32 included in the announcement. S. Kio answered yes that it will express that this is a CUD project
33 and the impact it will have on communities. J. Medamana asked about the funding
34 requirements, and he remembered about 60% was to be made available through grants and the
35 ISP partner will fill the gap. E. McGinley stated that the ISP partner is not giving any money
36 upfront it will be a stream of payments and we will need to raise additional debt to fund the
37 remainder of the construction of the network. E. Breiland asked what the purpose is of letting
38 the public to know what we are working on now instead of closer to when we will be able to
39 offer the services. S. Kio answered it is beneficial from a transparency standpoint with the
40 public, an excitement standpoint, and a vendor standpoint. It puts us in a strong position to
41 collaborate and negotiate with some high-quality vendors. It will be beneficial to let people
42 know so we can secure funding for VCBB as well. L. Fearing asked if there will be any more
43 specifics provided regarding the retail ISP with additional numbers in the press release. S. Kio
44 answered not for this release as we only have a term sheet, and it will be one of the priority

1 items of our working group and we will need to come to a formal master services
2 agreement. M. Kravetz asked if the ISP could still walk away from the project if they chose to. S.
3 Kio answered yes and that we could walk away as well, the entire project is contingent upon
4 funding, we need to go out and secure private funding. There will be contingencies built into
5 every aspect of this and that is why we brought in some telecom specific legal counsel as well.

6 K. Lantz noted that he is getting ready to reach out to NW Access TV and wants to let everyone know
7 that if they have any ideas or want to participate in the TV show potentially taking place on 3/24/22
8 then to contact him. J.R. Cox stated that he works at NW Access TV so he can help with that as well.

9
10 **Other Business**

11 S. Coleman informed the board that NRPC is putting on an open meeting law training sometime in the
12 spring. This is to be sure we are following the Vermont open meeting laws. He will send the info to
13 Chasidy, everyone is invited.

14
15 M. LeFluer asked M.K. Raymond when will town clerks and officials be notified about the pole
16 survey. M.K. Raymond clarified it is the municipal survey he is referring to and she will start emailing
17 them next week about who we can work with to get those answers.

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19 **Adjourn**

20 *M.C. Graziano motioned to adjourn. J.R. Cox seconded. Motion carried.*

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22 Meeting adjourned 7:29pm.
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**Northwest Communications Union District
Governing Board Meeting Attendance
March 3, 2022**

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- 5 Alburgh Town – Ken Millman, Stu McGowan
- 6 Alburgh Village – J.R. Cox
- 7 Bakersfield – Brenda Churchill-Vice Chair
- 8 Berkshire – Kris Lantz, Emily Grims
- 9 Enosburg Falls Village – Absent
- 10 Enosburgh Town – Absent
- 11 Fairfax – Dave Stanley
- 12 Fairfield – Absent
- 13 Georgia – Zachary Burdick
- 14 Grand Isle – Michael Inners, Peter Southwick
- 15 Highgate – Michael Kravetz
- 16 Isle La Motte – Mary Catherine Graziano
- 17 Milton – Erik Breiland, Joe Mester
- 18 Montgomery – Everett McGinley - Chair
- 19 North Hero – John Medamana, Leisa Fearing
- 20 Richford – Vacant
- 21 Sheldon – Jacob Kane
- 22 South Hero – Absent
- 23 St. Albans Town – Steven Deal
- 24 Swanton Town – Elisabeth Nance
- 25 Swanton Village – Elisabeth Nance
- 26 Staff – Sean Kio, Chasidy Benjamin, Mary Kay Raymond, Brad Lewis
- 27 Northwest RPC – Shaun Coleman
- 28 Public- Matthew LeFluer