

1 **Northwest Vermont Communications Union District**
2 **Governing Board Draft Meeting Minutes**
3 **February 23, 2021 6:00 p.m.**
4 **Zoom Virtual Meeting**
5

6 **Attendance:** Ken Millman (Alburgh Rep.), Dave Stanley (Fairfax Rep.), Mary Kay Raymond (Fairfax Alt.),
7 Tara Wright (Georgia Alt.), Emily Klofft (NRPC), Randy Connelly (Highgate Alt.), Stu McGowan (Alburgh
8 Alt.), Dominic DeRosia (Berkshire Rep.), Everett McGinley (Montgomery Rep.), Jake Kane (Sheldon Alt.),
9 Brenda Churchill (Bakersfield Rep.), J.R. Cox (NWTV/Alburgh Alt.), and Shaun Coleman (NRPC).

10
11 **Call to Order and Adjustments to the Agenda**

12 Vice-Chair S. McGowan called the meeting to order at 6:04 pm. There were no agenda adjustments.
13

14 **Approval of Minutes**

15 *D. Stanley motioned to approve the minutes from the February 9th meeting. E. McGinley seconded.*
16 *Motion carried. Two abstained.*
17

18 **Treasurer's Report**

19 E. Klofft provided the Treasurer's Report. The balance of the bank account is \$58,198.14. There are
20 invoices totaling \$15,492.76. The balance of the DPS Planning Grant is \$32,538.64. Still waiting for DPS
21 for an extension approval. VCF funding has a balance of \$24,870.01.
22

23 S. McGowan asked if there was an estimate yet for the amount of funding coming to the state from the
24 Federal Covid Stimulus funding.
25

26 E. Klofft replied that it is unknown at this time what portion of the funding will be dedicated toward
27 broadband. The state still has approximately \$1.2M in funds remaining from CARES. The funding may be
28 used to create an entity to assist the CUDs and private ISPs.
29

30 S. McGowan asked if we were in good financial standing moving forward for the next few months.
31

32 E. Klofft replied that a decision on the planning grant extension should be coming next week. There are
33 remaining VCF funds for on-going administrative functions. Any upcoming federal/state grants will cover
34 other administrative and consulting costs.
35

36 S. Coleman added that Charen Fegard testified on behalf of the CUD last week before the Senate
37 Finance Committee. There were taking testimony on how to re-allocate the remaining \$1.2M which
38 includes the "round 2" funds for the CUDs.
39

40 *E. McGinley motioned to accept the Treasurer's Report. D. DeRosia seconded. Motion carried.*
41

42 **USDA Rural Business Development Grant**

43 E. Klofft screen shared a talking points document that was reviewed at the last meeting noting the
44 deadline has been extended to March 31st. She provided an overview of the grant for new members.
45

46 The proposal seeks \$29,972.50 to hire a Program Manager to help with the implementation of an open
47 access network. The feasibility study and business plan currently in development. For the proposal to be

1 successful, the CUD is seeking letters of support. Talking points were distributed to members last week
2 for representatives to bring to local businesses and non-profits to request letters of support. LOIs are
3 needed by mid-March.

4
5 B. Churchill asked what each representative is required to do to get these letters of support.

6
7 E. Klofft replied to reach out to business in your area. There is no set number of businesses that are
8 needed per community. USDA likes to see about 10-15 jobs saved or created per \$30,000 of grant
9 funding.

10
11 M.K. Raymond asked if the intent of the open access fiber network is to have an entity run fiber and
12 another be responsible for maintenance.

13
14 S. Coleman replied that was the intent. Currently, NRPC is under contract with Matrix Design to develop
15 a feasibility study and business plan for the CUD. Sean Kio has been attending the bi weekly meetings
16 which serve as an update of the planning activities, share local information and data as needed, and to
17 ensure the CUD gets a study and plan that meets the objective of having an open access fiber network.
18 The study and plan are due at the end of March.

19
20 E. Klofft added that USDA grant is help bring on a consultant that can help bring expertise to create the
21 network including financing and developing public/private partnerships.

22
23 E. McGinley noted that the CUD has met with several companies such as Franklin Telephone, Ammon
24 Fiber, Utopia Fiber and MC Fiber as an introduction to the CUD, to share information and potentially
25 identify future partners. The CUD has not made any contracts for service with any of the companies.

26
27 S. McGowan asked what duties he should be performing during the Chair's temporary absence.

28
29 S. Coleman provided an overview of the activities the Chair was involved in. Currently, NRPC and other
30 members are monitoring legislative activities, meeting with Matrix Design, and pulling together the
31 USDA grant proposal. If there is a task that is pressing, NRPC will notify the Vice-Chair and other
32 members as needed. The Vice-Chair is needed to run meetings in the Chair's absence. The Chair is likely
33 monitoring messages and if he is alerted to something that needs immediate attention, then he will
34 reach out to the board.

35
36 S. McGowan tasked S. Coleman with keeping him informed if anything needs executive action.

37
38 T. Wright added that the CUD is not locked into any kind of agreement or contract with any company.
39 She asked M.K Raymond, with her professional background, to invite any companies she thinks may be
40 of interest to a special meeting.

41
42 B. Churchill mentioned she's offered testimony at the statehouse frequently over the past 4 years and is
43 willing to assist with testifying on a bill if needed.

44 45 **Legislative Update**

46 S. Coleman reported that he and E. Klofft have been monitoring the House Energy and Technology
47 meetings with various entities as well as Senate Finance regarding CUD support. The CUDs were being

1 asked to provide testimony to Senate Finance on Friday afternoon regarding funding needs through the
2 end of the year. C. Fegard offered to provide testimony on behalf of NWCUD.

3
4 The testimony included funding for hiring a project manager (\$85,000), administrative support (\$30,000)
5 and educational outreach materials (\$15,000). The project manager would be similar to the role that
6 Christine Hallquist serves for NEK. K. Millman provided the estimate for outreach. Administrative
7 budget is based on what NRPC's actual costs have been to date and relates the funding request RPCs
8 testified for earlier in the week for continued CUD support. E. Klofft noted NRPC has provided
9 approximately \$21,000 in support thus far.

10
11 There was a brief discussion on funding opportunities.

12 13 **CUD Accelerator Program**

14 E. Klofft reported that the Vermont Community Foundation has lifted the 4 person per CUD per session
15 minimum. Next week is Planning Design and Construction.

16
17 E. McGinley reported that he has attended several sessions and found them very valuable and
18 encouraged everyone to attend. He provided a brief overview of the financing session noting
19 subordinated debt will enable the group to start building out the fiber plant. Once that is built then we
20 can incur senior debt such as VEDA funding.

21
22 A great challenge will be incurring the initial subordinated debt which could come from lenders who
23 specialize in subordinated debt. Initial funding may also come from private investors and grants to help
24 offset some of the subordinated debt.

25
26 S. McGowan offered to approach lenders when the group is ready. M.K. Raymond added that the
27 feasibility study and business plan will need to be in place first.

28
29 E. Klofft will send out the recordings as they become available.

30
31 S. Coleman added that there was some discussion among Senate Finance regarding creation of CUD
32 revolving loan program using unused funding from last year.

33 34 **Feasibility Study Update**

35 E. Klofft provided an update on the feasibility study and business plan that Matrix design is developing
36 for the CUD. She noted that they were receptive to our request for limitless data caps within the model
37 they are developing. Working now on analyzing data to find where it makes sense to provide head of
38 service. The meetings are help during the day and it would be great to have representation from
39 members.

40
41 M.K. Raymond noted that she is an engineer and used to be involved in senior network administration
42 and project manager so she has a keen understanding of the challenges and expressed interest with the
43 feasibility and business plan.

44 45 **Member Updates**

1 NRPC – The EDA application with Lamoille and NEK is on hold for now. All three CUDs agreed that the
2 grant may not allow what the CUDs were proposing to do. Additionally, there was a lot of concern with
3 meeting the grant match.
4

5 T. Wright noted the survey is still up on the website although it is closed.
6

7 **Department of Public Service**

8 No report.
9

10 **Other Business**

11 None.
12

13 **Public Comment**

14 None.
15

16 **Adjourn**

17 *S. McGowan motioned to adjourn. M.K. Raymond seconded. Motion carried.*
18

19 Meeting adjourned at 7:00 pm.