



## **CV FIBER GOVERNING BOARD MEETING MINUTES**

GoToMeeting (virtual meeting only)

July 7, 2020

### **Present:**

**Governing board delegates:** John Morris (Marshfield), Allen Gilbert (Worcester), Michael Birnbaum (Plainfield), Andrew Gilbert (Cabot), Chuck Burt (Moretown), David Healy (Calais), Joshua Jarvis (Barre Town), Philip Hyjek (Middlesex), Jeremy Hansen (Berlin), Siobhan Perricone (Orange), Ray Pelletier (Northfield), Ken Jones (Montpelier), Greg Kelly (Barre City).

**Alternate delegates:** Jerry Diamantides (Berlin), Jeremy Matt (Plainfield)

**Others:** ORCA

**Called to order:** 6:00PM by Jeremy Hansen via GoToWebinar

### **Public comment:**

- None

### **Additions to the agenda:**

- Ken Jones suggested discussion of how CVFiber might use the \$500k in emergency planning allocated by the State and how we might work with other CUDs to shape the use of those funds
- Jeremy Hansen will need to leave part way through, and David Healy will be taking over for Jeremy

### **Reaching out to incumbent providers about cooperating:**

- Ken Jones noted that we might be wanting to provide service to customers in the next couple of months as part of the COVID emergency response but suggested that we're not ready to be an ISP. He suggested that we might discuss possible cooperative agreements with the incumbent providers in our territory.
- Jeremy Hansen described the recommendation from the Business Development Committee about reaching out to providers (see the Business Development Committee meeting minutes from June 30, 2020).
- Ken Jones added that there are providers such as Waitsfield Telecom with whom we might develop a partnership. He also noted that June Tierney said that Comcast is "ready to work with the CUDs" and that we could proactively reach out to them.

- Jeremy Hansen noted that the discussion in the Business Development Committee included the suggestion that if the incumbents plan line extensions in our territory without trying to work with us, sending a letter offering to discuss potential partnerships might give us the “moral high ground”. But he said that he is not sure that this buys us anything other than the moral high ground.
- Jerry Diamantides suggested that an initial foray to see if anyone is interested might be appropriate. He noted that the incumbents haven’t reached out to us, but thinks that just reaching out and seeing what we get would be appropriate
- Ray Pelletier asked if this was about the \$11 million allocated by the state for COVID emergency broadband development. Jeremy Hansen answered yes. Ray said that he pointed the “veto” provision out to Trans-Video.
- Jeremy Hansen responded that the “veto” provision for CUDs was taken out of the bill, and that June Tierney now has that power. He noted that June said that the Department of Public Service would give deference to CUDs.
- Allen Gilbert asked if it make sense to table this discussion until we’ve had the RDOF discussion. He suggested that we might get into more background that would be useful for this discussion.
- Siobhan Perricone said that this is separate from RDOF because its State money. She noted that making the initial attempt to contact takes away the ISPs plausible deniability in terms of claiming to be willing to work with us. Doesn’t cost us anything, but might gain us something with State
- Greg Kelly asked if this was the \$500,000. Ken Jones said that no, the \$500,000 is different money and is for very short-term planning. He said that he’s not sure the State has a clear idea of what it should be used for.

### **RDOF Discussion:**

- Michael Birnbaum noted that FCC is trying to make sure to prevent bidders from colluding in any manner and that the FCC has anti-collusion rules that regulate how bidders can and cannot interact. All discussions are prohibited, including sharing with a neutral party who might share with others (conduits). Even what State we’re bidding in cannot be revealed. We also need to be careful to not share info through a conduit. This means that we can’t tell Govt officials, lawyers or consultants who be might work for other bidders, etc. anything what we’re doing. This includes talking about RDOF bidding in public meeting. Even w/ in consortium there may a need to firewall off certain individuals to prevent the appearance of collusion within the consortium. If FCC suspects or is told that rule-breaking occurred, they will kick bidders out of the auction. In addition, bidders who are caught colluding could lose FCC licenses they may have. These rules are very draconian to make sure the rules are followed
- Siobhan Perricone asked if mentioning to her dentist that CVFiber is bidding on RDOF in Vermont would be prohibited
- Michael Birnbaum noted that July 15<sup>th</sup> is the official start of the “quiet period”, but that by some interpretations the quiet period may have already started. He also said that yes, if the dentist then discussed CVFiber plans with another bidder this could get us in hot water.
- Michael Birnbaum reported that Cloud Alliance has joined the NRTC consortium, so it is ok to talk with him in the room
- Jeremy Hansen suggested appointing a few people to have authority to deal with RDOF

- Michael Birnbaum said that he thinks that it's the best way to do it but would want that the board be informed. A few people to get into the weeds, but that they should report back to the board. Ken Jones added that he thinks this is overall a good idea to have a few people to get into the weeds, but that the board should have the opportunity to weigh in on the overall direction.
- David Healy asked if the RDOF anti-collusion rules impact the proposed letter to incumbent service providers. Jeremy Hansen said it wouldn't technically be collusion under the rules, but that the appearance of a conflict of interest can be just as bad as an actual conflict of interest
- Michael Birnbaum noted that the FCC rules allow us to discuss normal business
- Ray Pelletier said he thinks that the incumbents won't trust us if we send a letter offering to explore cooperative projects
- Siobhan Perricone said that she doesn't care that we won't be trusted. She said that the letter is just sophistry, but it might get us a very small advantage in one arena
- Allen Gilbert said that he doesn't think that the incumbents are interested in working with us and that he thinks this is going to be really competitive
- Andrew Gilbert cautioned that he thinks we may be seeing ourselves as too much of a competitive organization and that he thinks that as long as the incumbents provide fast internet to people in our territory that is essentially accomplishing CVFiber's mission. Jeremy Matt (in chat) responded that he thinks that the incumbent providers will not serve our communities well and that they will continue to leave out people at the edges.
- **MOTION** (Jeremy Hansen, second Siobhan Perricone): motion to send a letter to the incumbent internet service providers as discussed above. Motion passed by roll-call vote. No further discussion.

| Member         | Vote | Member            | Vote | Member        | Vote |
|----------------|------|-------------------|------|---------------|------|
| David Healy    | Aye  | Greg Kelly        | Aye  | Allen Gilbert | Nay  |
| Andrew Gilbert | Aye  | Michael Birnbaum  | Aye  | John Morris   | Aye  |
| Josh Jarvis    | Aye  | Siobhan Perricone | Aye  | Ken Jones     | Aye  |
| Ray Pelletier  | Nay  | Chuck Burt        | Aye  | Jeremy Hansen | Nay  |

- At this point in the meeting Jeremy Hansen left the meeting and turned control over to David Healy

**Applying for PSD funding:**

- David Healy noted that there are several items in the recently passed H.966 that we should be acting on.
- Ken Jones noted there is \$800k in H.966 to be distributed to CUDs (and possibly to other similar organizations). This money has a cap of \$100,000 per organization. The intent is to give CUDs the resources then need to develop plans for how they might provide emergency COVID response. This is very challenging because all money (including construction money) must be spent before December 30, 2020. Congress may allocate more funds and the Vermont legislature may allocate more of those potential funds to broadband expansion, but 11million is the current amount that has been allocated. Ken asked the other board members to think about ways in which we can respond to the COVID emergency. He said that his two ideas to spend the \$100,000 planning money are to:
  - Extend contract to Interisle to include development of a budget proposal for expansion of fixed wireless in CVFiber territory. Fred Goldstein said he would need \$22k to develop a budget proposal to give to the Public Service Department to go after the \$11 million. He said that he could have the proposal completed within a month.

- Hire someone to act as an executive director. There are many tasks that are allowed under CARES rules that would also help us become a stronger organization.

Ken summarized his discussion as the following recommendations: ask for the \$100,000 from the Public Service Department, extend Interisle's contract, and aggressively seek employee or contractor (with an end date of 12/30). Ken also suggested that the \$100,000 might also be used to identify types of address (IE students or telehealth) who are having connectivity problems. Being able to say that we will serve some specific number of currently under-served households will give us more strength in applying for the \$11 million from the State.

- **MOTION** (Allen Gilbert, second Jerry Diamantides): motion to 1) Apply for the \$100,000 from the Public Service Department, 2) Extend the Interisle contract by \$22,000 to pay for preparation of a budget proposal for emergency fixed wireless extension, and 3) Allocate the remaining \$78,000 to hiring and providing support for a full-time employee or contractor. Motion passed by unanimous consent.

Discussion:

- Michael Birnbaum noted that \$60,000 is enough to get a very high-quality contractor for approximately 6-months. There are many thinks that the remaining \$18,000 could be spent.
- Andrew Gilbert agreed with Michael's nervousness about the books and said that he thought it would be helpful to have some budget flexibility
- Greg Kelly noted that we would need to define the responsibilities and objectives
- David Healy said that the Business Development Committee sent out a job description that could be used as a starting point. He said that he thinks that we should be advertising/recruiting now.
- Allen Gilbert said that he thinks that we want a contractor not an employee
- Michael Birnbaum said that as a comment the Department of Public Service is already in overdrive and wants to get money out there as soon as possible because it will take time to get the money spent – they are in a hurry. This feeds into the Interisle work – hopefully Fred can accelerate the work. Michael said that we need lots of this information early and that he thinks there's going to be a land rush to take a bunch of this money so we need to get it figured out fast – to some extent it will be allocated on a first come first serve basis. The Department of Public Service needs to be sure the money is spent, or they'll lose it.
- Ken Jones said that Clay Purvis wants to get the \$11 million out the door by August 1 and that's why Fred needs to get the budget proposal out the door ASAP.
- David Healy said that board members should review the DRAFT job posting.
- Ken Jones asked if it is the responsibility of the Business Development Committed to follow through on this
- **MOTION** (Jerry Diamantides, second Greg Kelly): motion that the Business Development Committee should follow through with the previous motion to pursue the \$100,000, to extend the Interisle contract, and to begin the search process. Motion passed by unanimous consent. No discussion.

#### **Discussion of \$500,000 in planning funds:**

- Ken Jones noted that in addition to the \$800,000 in money for CUDs and the \$11 million to extend broadband access, a total of \$500,000 has been allocated for emergency response planning. He asked if the board can think of what the CVFiber organization might need over the next few months that could be considered planning. Another idea is to work with other CUDs and the Public Service Department to

say that we will participate in some activity. Ken said that he doesn't have firm ideas, but we should be thinking about it. This could be another \$50,000 for us for planning work.

- Greg Kelly suggested pole surveys as this allows for more accurate construction budgeting
- Josh Jarvis suggested contacting school boards or running surveys to identify school aged children who live at under-served addresses
- David Healy said that he has allocated every underserved premise in every town to the appropriate school district and that he has drafted letter to send to someone (possibly the school district or school principals)
- Siobhan Perricone said she wasn't sure this information could be made available due to FERPA requirements. Ken Jones said that the information can be shared but not made public. The State gave up on it because the information can't be public. David Healy noted that we don't need to put specific addresses in proposal, it should be enough to say how many we will serve.
- Jerry Diamantides suggested that part of the \$50,000 could be used to identify telehealth needs
- Siobhan Perricone said that we would be better off with trying to get the information from the school district rather than the principals
- Michal Birnbaum noted that he still doesn't understand what \$500,000 planning grant is for because by the time the planning is complete the window to spend the funds will be passed. With regards to the \$18,000 potentially left over from our \$100,000 share of the CUD grant, Michael suggested that we might also hire a low-skilled contractor to train, to knock on doors, to do pole surveys, or similar tasks.
- David Healy said that the Business Development Committee would work on this
- Jerry Diamantides asked if the December 30, 2020 deadline was for the money to be spent or to be obligated. Ken Jones said that the money needs to be spent, not just obligated

#### **Approval of minutes:**

- **MOTION** (David Healy, second Siobhan Perricone): motion to approve the June 23, 2020 Governing Board Meeting Minutes as drafted by Jeremy Matt. Motion passed by unanimous consent. No discussion.

#### **Roundtable:**

- Ken Jones said that all this money floating around is exciting and a great opportunity, but that we need to keep moving on all our other work as well. We may want to start thinking about when to do outreach to potential customers. We need to keep that on front burner. We also will want to go to VEDA fairly soon. We should discuss this in next meeting
- Jerry Diamantides said that he's a little concerned that we barely made a quorum. Concerned about participation
- David Healy noted that there is money in the Northern Borders Regional Commission grant for a manager as well. If we win that grant, we might be able to use that to extend the Executive Director position.

#### **Meeting Adjourned at 7:19PM**

Respectfully submitted,

Jeremy Matt, Clerk