



## October 9, 2018 Governing Board Meeting

Berlin Elementary School  
372 Paine Turnpike N, Berlin, VT

6:00pm

### Minutes

**Present: Governing Board Delegates:** Chris Riddell (Barre City – left at 7:27 PM), Joshua Jarvis (Barre Town), Jeremy Hansen (Chair, Berlin), Andrew Gilbert (Cabot), David Healy (Calais), Bob Klein (East Montpelier), Robert Burley (Elmore), Jim Barlow (Marshfield – arrived at 6:05 PM), Phil Hyjek (Vice Chair, Middlesex), Stephen Whitaker (Montpelier for Dan Jones), John Quinn (Northfield – left at 7:50 PM), Siobhan Perricone (Orange), Michael Birnbaum (Plainfield), Jon Guiffre (Roxbury), Rama Schneider (Williamstown), Allen Gilbert (Worcester); **Alternates:** Elliott Bent (Barre City – took over as Delegate at 7:27 PM upon departure of Chris Riddell), Jerry Diamantides (Berlin), Tom Fisher (East Montpelier); **Other Officers:** Becca Schrader (Clerk and Treasurer); **Other Attendees:** ORCA camera person

### **Meeting call to order:**

Meeting was called to order by Jeremy Hansen at 6:00 PM and quorum was determined.

### **Additions or changes to the agenda:**

Hansen indicated that he would be adding a round of introductions since there are new members present.

Perricone asked to add a discussion of a motto.

Hansen proposed moving up Finance Committee report ahead of Conflict of Interest discussion, as Jim Barlow will be arriving late and he would like to be present to contribute to the discussion.

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**Public comment:**

Schrader read a prepared statement regarding the delay in filing the certificate of organization, and responding to false assumptions and information put forth by Whitaker.

Whitaker thanked Schrader and noted that they had corresponded with each other in private. He also noted that that no outreach had yet been made to the Public Safety Commission.

**Motto:**

Perricone spoke to a friend of hers that is studying Latin who had done a translation of CVI's informal motto (Our Internet Won't Suck). Motion from Gilbert (Worcester), second from Hansen, that Perricone convey our thanks for the contribution.

**Name:**

There was an acclamation based on the vote at the September 11 meeting that CVI will adopt CVFiber as its trade name or doing business as (DBA) name. It was noted that Bent has procured domain names that include CVFiber, ORFiber (Onion River), and 802Fiber.

**ACTION:** Motion by Hansen, second by Hyjek to direct the Clerk/Treasurer to register CVFiber as a trade name with the Vermont Secretary of State. Vote was unanimous, motion carried.

**Finance Committee Report: Schneider, Finance Committee Chair**

Schneider gave a brief report on the Finance Committee meeting and proposed a series of motions.

**ACTION:** Motion by Schneider, second by Gilbert (Worcester) to remove Becca Schrader from membership in the CVI Finance Committee and assign the CVI Treasurer to the committee as an ex-officio member with all rights and privileges. Note: Robert's Rules of Order defines ex-officio simply as being a member of a board or committee by virtue of office. Vote was unanimous, motion carried.

**ACTION:** Motion by Schneider, second by Gilbert (Worcester) regarding CVI Finance Committee developing financial oversight procedures: The CVI Finance Committee will develop and submit to the full board for approval a set of procedures designed to assure the integrity and transparency of revenues and expenses. The committee may, if necessary, implement these procedures prior to initial approval except that such action does not create a precedent. Vote was unanimous, motion carried.

Discussion included question from Burley regarding what the relevant statutes and standards are regarding financial management and oversight. Schneider noted that this motion is focused on internal controls for the Finance Committee for now, but that these concerns will be taken up in the future.

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**ACTION:** Motion by Schneider, second by Perricone regarding capital reserve fund per statutory requirement in 30 V.S.A. Chapter 82 § 3078(b): The CVI Governing Board directs the Treasurer to create as soon as practicable a capital reserve fund with an initial balance of \$0.00 or more. Vote was unanimous, motion carried.

Schneider raised the question of who should be appointed as receivers of funds – there should be three, one of whom is the Treasurer. Gilbert (Worcester) proposed that the other two should be the other officers of CVI (Chair and Vice Chair). Discussion included bonding, how receipt of funds should be documented and how many people should verify receipt of funds.

**ACTION:** Motion by Schneider, second by Healy regarding accepting funds on behalf of CVI: The CVI Governing Board appoints the following persons as receivers of funds of any lawful type from any lawful source: the CVI Chair, the CVI Vice Chair, and the CVI Treasurer. Such funds will not be considered received by Central Vermont Internet until one of the listed persons has control over the funds. Vote was unanimous, motion carried.

The final part of the Finance Committee report was that Gilbert (Worcester) has started a task/report calendar to assist the Finance Committee (and possibly other committees and/or the Governing Board as a whole) in preparing for audits and required reporting.

### **Conflicts of Interest:**

Hyjek noted that Whitaker had filed a trade name (DBA) of Central Vermont Internet on behalf of his non-profit organization, Design Access Network, Inc. with the Secretary of State on March 7, 2018 and pointed out that he felt this constituted a conflict of interest.

During the discussion, Diamantides and Gilbert (Cabot) stated that they would like it noted for the record that they have found Whitaker to be constantly disruptive and contentious. Riddell said that he believed the DBA should be contested and was upset that the filing was not openly disclosed. Schneider and Gilbert (Worcester) mentioned that the board could request Montpelier City Council to withdraw Whitaker as an alternate to the governing board and suggested that be done. Barlow noted that the board could ask questions of Whitaker. Birnbaum asked if Whitaker would recommend to the Design Access Network board that they suspend the trade name. Whitaker answered that he did not know.

**ACTION:** Motion from Schneider, second by Gilbert (Cabot) for Chair to petition Montpelier City Council to remove Whitaker from his appointment as alternate delegate to the CVI Governing Board. There were two abstentions, all other votes in favor. Motion carried.

Hyjek continued that in the interest of avoiding future surprises, the agenda included time for other board members to disclose any potential conflicts of interest.

Quinn began by stating that he is the state's Chief Information Officer (which he had also noted at the first meeting), and that his family owns TransVideo Cable in Northfield. He indicated that

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he would recuse himself from votes that would be relevant to either of those situations. Questions from the board included a more specific definition of family reference TransVideo Cable (it is owned by his aunt and uncle), and whether Quinn signs contracts for the state for network services (he does). Whitaker expressed concern regarding telecommunications planning functions the state has not completed.

A question was raised about what constitutes a conflict of interest. Barlow cited the CVI Conflict of Interest policy: *“For purposes of this policy, a Conflict of Interest means a direct personal or pecuniary interest of a Governing Board member, his or her spouse, household member, business associate, employer, or employee in the outcome of a cause, proceeding, application, or any other matter pending before the Governing Board or the Governing Board member. A Conflict of Interest does not arise in the case of votes or decisions on matters in which the Governing Board member has a personal or pecuniary interest in the outcome of a vote or decision that is no greater than that of other persons generally affected by the decision.”*

Birnbaum next brought up his potential conflicts of interest, noting that he has mentioned them at previous meetings several different ways. He is one of 5 owners of Cloud Alliance, which operates in member towns Barre Town, Berlin, Cabot, Calais, East Montpelier, Marshfield, and Plainfield. He fully anticipates that his business will suffer once CVI is providing services, and will recuse himself from discussions and votes relevant to his company, but he also believes in the mission of CVI and thinks he can contribute. He is also owner of Kingdom Fiber, whose current geographic coverage region would not conflict with CVI.

Schneider noted that these were anticipated under the enabling statute, and that is provided for in voting rules.

At this point, Barlow noted that the board took action on moving to request removal of Whitaker before this discussion giving board members the opportunity to voluntarily disclose conflicts of interest. Gilbert (Cabot) said there was a difference between revealing potential conflicts of interest and taking action that creates an actual conflict of interest.

Hansen noted that he works with Norwich’s Security Operations Center project for the state as professor for interns that work on that project. Perricone noted that she is a software developer working on projects related to the Security Operations Center. Healy noted that he works for Stone Environmental, which provides GIS services. Gilbert (Cabot) works for a power provider that sells power to DSL providers.

### **Future Meeting Length:**

Hansen indicated that he noted in the previous minutes that there was concern regarding length of meetings and said he had shortened the agenda by half an hour. It was noted that as we continue and more work is delegated to committees, governing board meetings should be able to be shortened but we should also make sure that we need to try to make sure we edit our

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commentary.

### **Bylaw and Policy Committee Report: Jim Barlow, Committee Chair**

Policy on data acquisition and retention is forthcoming, it has been drafted. Discussion of financial policy was tabled and it was decided that needed to come back to the full board.

### **Annual Report and 2019 Budget:**

The board reviewed a draft of the Annual Report prepared by Hansen and provided input on content and form. Discussion included whether or not cable should be listed with DSL as current options that monopolize coverage in some areas. Also suggested was replacing “internet” with “communications” and adding businesses and civic institutions to residents as the survey pool. Other input included adding public safety concerns to consequences from lack of high-speed internet access and adding “develop a viable plan” to timeline for beginning construction.

**ACTION:** Motion by Guiffre, second by Birnbaum to empower the Chair to incorporate edits to the Annual Report based on input and produce a final copy for submission. Vote was unanimous.

The board reviewed a draft of the 2019 Budget prepared by Hansen with assistance from Birnbaum. Suggestions included adding more formulas that show how numbers were derived and zeroing out the surplus, ensuring the budget is labeled preliminary draft, and separating engineering design cost from engineering for a specific network.

**ACTION:** Motion by Barlow, second by Healy to accept the draft budget with the following changes: separate survey from advertising, label as preliminary draft, and zero out surplus by refining expenses. Discussion continued regarding how long projections should be and other issues. Perricone called the question, second by Gilbert (Worcester). There were 2 no votes, all others voted in favor, question carried with more than the required 2/3 majority. Vote followed on the original motion and the vote was unanimous, motion carried.

### **Surveying member towns/pilot projects:**

Discussion included who should be surveyed, what should be asked, etc. including scope. Guiffre suggested the survey should pose the question from a perspective of comparison to what is currently available. Perricone suggested that the questions be developed in committee and it was noted that this is currently on the list of tasks for the Business Development Committee. Birnbaum suggested a software-generated survey, sampling instead of surveying everyone, and being careful to ask questions that are not leading. Klein raised the point that this survey will be an actual expenditure, so there will be a need for actual revenue. Birnbaum suggested crowdfunding. There was also discussion about where the task of raising money should sit. Should it go from Business Development to Finance? A new committee?

### **Review of back burner items & assignment of committee tasks:**

Hansen asked if there are any things on the back burner list that should either be removed or

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tasked to a committee. Outreach to other towns was suggested to leave on the back burner. It was suggested that net neutrality is a marketing issue for the future. Schneider suggested that relationship to Vermont Telecommunications Plan should move up to a higher priority and that it has increased visibility at the gubernatorial race level. Hansen will place on the November agenda. Pilots have already been discussed. Whitaker raised that Public Safety Committee could be an anchor tenant for our future network. It was determined to leave it on the back burner.

### **Assignment of Committee Tasks:**

Making a website: Guiffre has a potential option for free webhosting and design. He'll follow up on that.

**ACTION:** Motion from Hansen, second by Hyjek to task Business Development Committee with working on issues of fundraising and survey. Discussion included whether there could be a separate committee or subcommittee to address the fundraising piece. Perricone and Gilbert (Cabot) offered to help with specific tasks of fundraising without joining the committee. Vote was unanimous, motion carried. There was discussion about whether to task the Finance Committee with refining the budget and it was determined that this discussion could take place outside the meeting.

### **Minutes from September 11 meeting:**

Motion from Hansen, second by Gilbert (Worcester) to accept the minutes with changes as sent out by Schrader and distributed in hard copy at the meeting. During discussion, Schrader noted that she had received additional clarifications, which she read. Whitaker stated that he felt the minutes were incomplete. Motion from Whitaker to table discussion of September 11 minutes to next meeting. Motion died for lack of a second. Vote on original motion from Hansen received 11 votes in favor, 1 opposed, and 3 abstentions. Motion carried.

### **Roundtable:**

Birnbaum suggested it might be useful to have a group work on proposed changes to the CUD legislation, and mentioned an upcoming economic development conference and suggested that someone should represent CVI at the conference. Schneider requested a pole diagram. Healy met with Velco and they are interested in working with us to the extent possible. Diamantides will be reaching out to schedule a Business Development Committee meeting.

### **Adjourn:**

**ACTION:** Motion by Hansen to adjourn, second by Hyjek. Vote was unanimous, motion carried. Meeting adjourned at 9:06 PM.

**Next Meeting:** November 13<sup>th</sup> at 6 PM at Berlin Elementary

### **Back burner**

- Outreach to other towns: Washington, Waterbury, Woodbury

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- Net neutrality
- Relationship to Vermont Telecommunications Plan
- Calais pilot discussion; Public Safety Committee

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