



CVFIBER OPERATIONS AND PLANNING COMMITTEE MEETING MINUTES

Virtually on MS Teams

August 10, 2023

Minutes Short Summary

The Operations and Planning Committee approved the minutes for the June 12, 2023 meeting. David Healy reported 128 orders for service; this is a 19% take rate before anyone has been lit. Jennille Smith noted that WEC is in excellent shape, but we are behind with some of the GNP make ready and very behind on the Hardwick Electric, for CL03 especially. In CL01 and CL02, site surveys are being done and some drops have been completed. CVFiber is up to over 800 passings with 72+ miles of strand and 60 of fiber. Linda Gravell reported that Hickory Hill has been hired to work on issues with CrowdFiber. Jerry Diamantides reported that CVFiber is looking at bridge loans, ReConnect and BEAD funding to cover construction for 2024. The Committee discussed additional costs associated with operating the network once it is live.

Present:

Planning and Development Committee Delegates: Siobhan Perricone (Orange), Jeremy Matt (Plainfield), Linda Gravell (Waterbury), Ray Pelletier (Northfield), Christopher Shenk (Alternate, Waterbury), Henry Amistadi (Duxbury), David Healy (Calais), and Tom Fisher (East Montpelier)

Absent:

Others Present: Jennille Smith (Executive Director), Lucas Stubbs (Operations Manager), Jerry Diamantides (Berlin)

Call to order: David Healy called the meeting to order at 5:32pm.

Additions to the agenda:

- None.

Public comment

- None.

Prior Meeting Minutes

MOTION (Linda Gravell, Second Siobhan)

To approve the minutes for the June 12, 2023 meetings as drafted.

Passed unanimously.

Updates/Discussion

- **Subscriptions:** David Healy reported 128 orders for service. This is a 19% take rate before anyone has been lit. 50% are taking 100/100, 37% are taking 500/500 and 13% are taking 1 Gig. We have two business subscriptions, which are both for 1 Gig. Only 16% are taking phone service. Linda Gravell reported a lead to order conversion rate of 35%. Tom Fisher asked about protecting operations data for subscriber privacy. Jennille Smith replied that we have a policy in place both through CVFiber and through Waitsfield. David Healy suggested making the privacy policy available on-line. At this point Jennille Smith, Chuck Burt, Linda Gravell, David Healy and Hickory Hill have access to CrowdFiber.
- **Make Ready Progress:** Jennille Smith reported that the WEC call shows that the only make ready we have with them will be for 2024. Lucas Stubbs noted that previously licensed work is now being finished up, all minor. Jennille Smith noted that WEC is in excellent shape, but we are behind with some of the GNP make ready and very behind on the Hardwick Electric, for CL03 especially. We also need to make sure that Green Mountain can get ahead. David Healy reported that it is critical that GNP finish Greenwich Village. Lucas Stubbs reported that CVFiber has requested a meeting with Hardwick, but there has been no response. Linda Gravell pointed out that they are two months behind and she would like to have an in person meeting. Lucas Stubbs suggested that they may not realize how little work they need to do, only six apps. Jerry Diamantides sent an email to Michael Gray, the Woodbury delegate, explaining Hardwick is holding up the work there, but Michael Gray has not responded; however, Ray Pelletier will be speaking to Michael Gray in the near future. Jerry Diamantides also said he will contact the heads of Hardwick.
- **Construction Progress/issues:** Lucas Stubbs reported there is the one pole left is CL01 and we are looking at a temporary fix so this will not hold up the remaining construction. The transformer was hung today, so Waitsfield can light up. The splicers are also on site tying in the cables. Tomorrow Lucas Stubbs will meet Waitsfield again for additional splicing. We are up to over 800 passings with 72+ miles of strand and 60 of fiber. We are closing up CL01 by the end of the week and working on RS02. This week we gained 10 miles. CL02 still needs a few permits. Jerry Diamantides asked if the cabinets could be traded to other CUDs for a better size. Lucas Stubbs said he would investigate this.
- **WCVT Operations Update:** Jennille Smith reported that CVFiber is finishing up pricing details with Waitsfield, such as seasonal subscriptions. They are doing site surveys in CL01 and CL02. We are finding that people are signing up, thinking they will get service right away but there is a delay. We are working on budgeting and compliance; we have projections, but Waitsfield will help us get more concrete information. Tom Fisher is hoping for a monthly report from Waitsfield, and Jerry Diamantides said that this is actually part of their contract. There are federal guidelines that must be maintained. Jennille Smith would like to have a few more friendlies in CL02. All surveys are done and some drops are done.
- **CrowdFiber Website:** Linda Gravell reported that Hickory Hill has been hired. They have access to CrowdFiber, and they are working on two issues, that it's too slow to load and second, the "more details" on the shopping cart doesn't always load. David Healy's workshops in Calais gave Linda Gravell the insight to update some of the language on the website to simplify and clarify it. Linda Gravell also changed the process for addressing the postcards because so many were returned. She got the resident addresses from the Town

Clerk and merged them and cleaned them up. The first postcards went out to CL02 and RS01 to voter mailing addresses and post office boxes. We will wait to see if how many come back. Linda Gravell added that she would like to get Stone Environmental on DNC polygons for the next zones that are going live. David Healy said it should not take too long, and he expects they could get all 24 needed. Linda Gravell said she can get started as soon as she returns from vacation on August 28th.

- **Marketing:** Jennille Smith reported that the on-boarding process has started as the Governing Board approved the hire. The start date is August 28th.

2023 -2024 Project Funding Reality

- Discussion: David Healy reported that Ray Pelletier has been meeting with PFM; they have given them a list of what they need from CVFiber. Jerry Diamantides reported that PFM is our fiduciary, to aid us in making the best decisions. They have started reaching out to parties that do shorter-term bridge loans for higher interest rates, which are for 2-3 years. CVFiber has been giving PFM our projections and current data. We are also working with them to develop our story and significance. We are planning for other opportunities, such as the Reconnect loan for a lower rate, and we are also working with NRTC for our areas that would qualify. We are also working on BEAD funding, but it doesn't look as if these federal funds will be available until 2025. The VIDA loan may be a match for the BEAD funding. Finally, we are looking at private lenders.
- Linda Gravell asked if we know what information BEAD funding requires. Jerry Diamantides said that the RFP won't be available until November, and there will be two rounds of applications. We hope that the information needed for ReConnect will be useful for the BEAD funding and we do not have to start from scratch.
- Tom Fisher asked if CVFiber has examined pre-subscriptions. Jerry Diamantides said it has been unclear how this works as this is basically an interest-free loan. This concept did not get much traction. Jeremy Matt thought that another CUD had done pre-subscriptions.

2024 Operating Budget Items

- David Healy pointed out that we need money in order to continue construction next year. Jerry Diamantides also said they are working on projections for installations. Jennille Smith noted that there are additional construction costs for which we are working on projections.
- Lucas Stubbs said there are also operational costs, for example, locates are going to be a big cost. The goal is to pay by the locate or each "dig safe." CVFiber will hire a contractor, but the cost has not been determined. This cost, for example, is maintaining the network, not installation. For example, if Calais puts in a new culvert, CVFiber has to ensure that we maintain our connection during the process. David Healy also pointed out repairs will be needed. Jerry Diamantides said that Waitsfield has given CVFiber some numbers for this estimate. Lucas Stubbs said that most repairs are minor.
- Jennille Smith added the licensing fees in Calais.
- David Healy wanted to alert the committee about additional construction and operation costs. Hopefully, some or all of these costs are covered by subscriptions.
- Jerry Diamantides added that monies have been set aside for administrator salaries and warehousing for 2024.

- Tom Fisher asked if insurance covers any damage. Jennille Smith noted that CVFiber will need additional insurance once CVFiber is operational. CVFiber does have general liability insurance.

Adjourned at 6:30pm.

Respectfully submitted,
Jeremy Matt, Clerk