



CVFIBER OPERATIONS AND PLANNING COMMITTEE MEETING MINUTES

Virtually on MS Teams

March 14, 2024

Minutes Short Summary

The Operations and Planning Committee approved the minutes for the February 8, 2024 meeting. Roger Nishi from WCVT reported 153 installations completed with another 16 scheduled for this week. Jennille Smith reported that the construction focus is on installations and finishing up CL03 as Hardwick has gotten the green licenses. David Healy will provide training specifically for delegates to participate in the Challenge Process on Monday, March 18 at 5pm. Jennille Smith reported that CUD is considering a merger with NEK to apply for BEAD funding as one CUD. David Healy said progress is being made on the revised drops policy, and Jennille Smith reported that the policy language will be brought up at the next Executive Committee meeting. Roger Nishi reviewed the customer service calls to WCVT and noted that all are handled in under 10 seconds. Olivia Kantyka noted that CVFiber staff are handling some of the email communications. In a Round Robin, committee members discussed their personal concerns about connecting with CVFiber as well as highlighting CVFiber's achievements, especially as shown in the CUD documentary.

Present:

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

Absent:

Others Present: Jennille Smith (Executive Director), Lucas Stubbs (Operations Manager), Olivia Kantyka (Community Relations Manager), and Roger Nishi (WCVT)

Call to order: David Healy called the meeting to order at 5:30pm.

Additions to the agenda:

- None.

Public comment

- Siobhan Perricone encouraged everyone to watch the CUD documentary. It will be aired on Public Television on March 24th and then be available on line.

Prior Meeting Minutes

- MOTION (Henri Amistadi, Second Tom Fisher)

Move to approve the minutes of the February 8, 2024 meetings as drafted.

John Reid abstained.

Passed.

Updates

- **Customer Sign-ups/Installation Progress:** Roger Nishi from WCVT reported 153 installations completed with another 16 scheduled for this week. RS01 and RS02 show 294 registered customers. Scouts have viewed 248. Of those, 80 are buried, 66 will need conduit, and another 14 will need rodding. 174 have ordered product. Of these 50 have conduit, so we are focused on the 124 who have arial, and we now need to schedule the installations.
- Olivia Kantyka added that everyone who pre-registered has received two rounds of emails over the course of four weeks, and there were also two rounds of Front Porch Forum announcements. She will follow up again with those who have not signed up in a month.
- John Reid asked if total locations were all unserved or underserved, and David Healy said all locations includes all served, not just unserved or underserved.
- David Healy is trying to determine the number of potential customers in RS01 and RS02. He plans to let Roger Nishi and Olivia Kantyka takes over this process. Tom Fisher's number doesn't include customers who have taken telephone. Roger Nishi says about 10-15% are taking telephone service. Our projected ARPU was 94, and it stands at 93 now, but this may not be 100% accurate.
- **Construction and Future Plans:** Jennille Smith reported that plans are a bit in flux because of balancing sources of funding. The focus is on installations and finishing up CL03 as Hardwick has gotten the green licenses. The next notice to proceed could be where we have ARPA funding and CVFiber might delay where we could use BEAD funding. We are also looking for early estimates for costs where make ready started. We have not yet determined where we will be ready to proceed.
- Jeremy Matt asked how long it might take to finalize the construction schedule. Jennille Smith has a grant funding matrix, but more information should be provided in Executive Session. Jennille Smith added that CVFiber is meeting with the Fiduciary as a backstop, because we are looking at a joint ReConnect loan with NEK broadband at 2%. We are considering whether to proceed with the higher interest rate loan or partner with NEK to use their ARPA funds to build in contiguous areas. Multiple options are being explored.
- David Healy noted that NRTC has come up with new routing to reach some CL01 locations that were held up because GMP is not doing the make ready until next year as it will be underground. The new design is coming down from the north to get to some unserved addresses in Calais, so this will allow these customers to be served.
- **Made Ready:** Lucas Stubbs noted Hardwick Electric is coming through and should finish shortly. We do need to do some underground work to connect CL03 back to the Calais OLT, probably in the spring. CL02-8 is ready, and we have customers ready to sign up.
- **Permit Status:** Lucas Stubbs reported no permits outstanding. The Marshfield OLT is ready to go once the ground is ready. We are working on easements, but we are in good shape for anything we want to build this year.

BEAD Challenge Process Opens

- David Healy reported that the State of Vermont has been working on the Challenge Process for four months. The starting point was FCC data, by speed, type of connection and server. There is only one login per CUD for the challenge process. The training will be next Monday for volunteers. We need to identify locations and get that information into a spreadsheet which must be documented with a pdf. If there are, for example, 10 sites that are said to be cabled, but are not they can be one document. The other part is looking at community anchor institutions, which are served or unserved. To be served, the service must be one gig up and one gig down. Fidium and First Light provide a lot of this service.
- Siobhan Perricone said she doesn't know what cable looks like on the pole. David Healy will share a photograph. Lucas Stubbs said that Consolidated is first, cable is second, and fiber is third. If there is one, only Consolidated, two includes cable. John Reid noted that there are places where Consolidated has two lines. Lucas Stubbs said this can happen if the weight for strand has been exceeded. David Healy said that Comcast data is accurate but not data for Consolidated.
- John Reid asked how much money is at stake. David Healy said the total BEAD could be higher than \$16 million. David Healy said the Challenge process amount is not known. The Challenge process begins next week and continues for two weeks. The definition of underserved is anything less than 100/20.
- Tom Fisher said it looks as if the Challenges are due April 1st. David Healy said he will show how to use the map at the training. John Reid also said it only works in Firefox.
- Jeremy Matt asked how varied are the splice boxes. Lucas Stubbs said that cable doesn't necessarily have splice boxes, but amplifiers which are gray metal boxes which are often rectangular.
- David Healy said this process could not be more difficult. We estimate it is worth about \$5,000/address.
- Jennille Smith said that we might need to go immediately into Executive Session because the training cannot be public, but the meeting will need to be recorded. The recording will need to be confidential.

NEK Broadband-CVFiber Potential Merger: Jennille Smith/David Healy

- David Healy noted there is already one MOU for shared services around managing the warehouse. Jennille Smith said we cannot apply for BEAD as a consortium; we need to be considered one CUD, so merging might be in our interest, but we would keep our branding and customers. We both need independent counsel to get the right structure in place. Jeremy Matt asked if the Towns would need to vote on this. Jennille Smith there is State legislation pending to allow CUDs to merge without town votes. Jeremy Matt also asked if this affects RDOF, and Jennille Smith said this is part of the conversation.
- David Healy noted that NEK's Executive Committee has already approved this step. ReConnect is given on a rolling basis. NEK has already successfully gotten a ReConnect grant, and they are already working on the new application. If the legislation passes, it would go into effect on the date of enactment. In May, we would need to have a joint committee with NEK and CVFiber to work out the details. Jennille Smith said we can proceed without the merger, but the merger will make this an easier sell.

- David Healy noted that NEK's timeline has their Board approving the merger in July. Jennille Smith noted that one benefit of working with NEK is that we already share construction crews and the merger will allow both of us to build out faster.
- Jeremy Matt worries about losing some control because NEK is larger with more towns. He wants to go forward, but he wants to be careful. Christopher Shenk said the combination will give both groups more power, and CVFiber will more surely be able to accomplish our mission. John Reid is pro-merger because although he understands local control, he sees the merger as creating a lot of efficiencies. He would like to see a framework that might allow other mergers with contiguous CUDs. Siobhan Perricone says she thinks this strengthens all CUDs to demonstrate that we are all collegial. Tom Fisher and Henri Amistadi support pursuing this opportunity. Lucas Stubbs noted that our current partners are already on board. Olivia Kantyka pointed out that marketing for NEK is very different from CVFiber; we are sharing resources, but she believes some issues will need to stay in their lane. Tom Fisher would like to ensure that CVFiber and NEK share core values. We want to have some autonomy over our area. Jeremy Matt noted that CVFiber has an excellent group of employees, and he wants to ensure none are forced out. Jennille Smith replied that there is a lack of highly qualified people in this industry. We don't see anyone left out, as even the warehouse employees are invited to stay on. Henri Amistadi asked if NEK's ARPU is higher. Jennille Smith noted that NEK has deeper pockets as their customers are further apart and lower income. She thinks that the strengths of each CUD are complementary.

Drops Analysis and Policy Update: Jennille Smith/David Healy

- David Healy said progress is being made on the revised drops policy. Jennille Smith reported that the policy language will be brought up at the next Executive Committee meeting. Tom Fisher wanted to ensure that the drops policy is in line with David Mannix's group work on the financial impacts. Jennille Smith added that, for example, sister CUDs have the same rate for commercial and residential customers. These issues are related but the drops policy is as straight forward as we can make it. Charges for connection and service might vary, however, but this is outside the drops policy.
- Tom Fisher asked if this will affect our take rates, but this is dependent on what the customer will actually have to pay. Is there a threshold for when this policy is not sustainable? David Healy noted that BEAD requires us to go to the house. We don't know if this means that we will have to pay for conduit, for example.
- Jennille Smith noted that the installation rate might change from \$99, but it will change across the board. Tom Fisher asked if this will be unofficial.
- Roger Nishi said that 1,000 feet is reasonable and does not drive up the costs too much. However, above that it is costly. People still need to have their existing conduit routed and usable or put in conduit. This is a cost the CUD cannot afford. The new policy, which WCVT has already enacted, helps them get customers installed more quickly because the customer doesn't need to worry about paying more over 400 feet. The payback period will take longer.
- John Reid said that setting conduit aside, if a house is very far away and another is very close, both customers paying the same amount does not strike him as equitable. Olivia Kantyka noted that erasing this change in costs has reduced the number of negative customer communications. Roger Nishi noted that those slightly over 400 feet were covered

without concern. If there are drops over 3,000 feet, for example, WCVT will need to come back to CVFiber to get approval for this much larger cost.

- Tom Fisher asked about point to point that is slower but less costly. Roger Nishi said we do use these products in fairgrounds. If it's a straight shot and no trees, it works, but if trees come in, the service declines. Bad weather can also cause issues. Lucas Stubbs said these are similar to satellite dishes and have the same problems.

WCVT Operations Update

- Roger Nishi summarized his categorization of calls and customer satisfaction. In February there were 92 customer calls with an average wait time of 6 seconds as 90 customers were answered. Tech support takes longer, so out of 18 calls, the average wait time was 9 seconds. We may find that equipment has failed. WCVT answers all CVFiber customer calls.
- Roger Nishi is trying to figure out how to categorize these calls. The complaints are that they are not getting the speeds they thought they should get. Usually, we tell them to connect an ethernet cable directly. There are many ways to impact the speed in the house that are separate from CVFiber's service. When WCVT does installations, they test the wi-fi in various spots in the house. We do move units around the home to optimize service. However, the costs of wiring in the house could go beyond the standard installation costs.
- John Reid asked for the definition of tech support. Roger Nishi said this happens once a customer has service. Roger Nishi said Waitsfield wants to ensure that customer needs are met and are willing to have the staff on hand to meet their needs.
- Olivia Kantyka said that emails are still coming through not just phone calls. We are also launching a connectivity page on the website with tips and tricks, so perhaps some of the issues that are going to WCVT could be answered here. No CUD that WCVT works with charges for service.
- David Healy noted that there is an annual charge for his maintaining his heat pumps
- Tom Fisher asked if WCVT tells customers about their additional services. Roger Nishi said they do sell small "hockey pucks" as wi-fi extenders purchased for \$99 or rented for \$6/month.

Round Robin

- Tom Fisher got a quote for running oversized conduit for 250 feet for \$7,500, but he found a pole on his property closer to his shed and can run fiber 150 feet to the shed for \$99.
- Siobhan Perricone said she appreciates everyone and all their hard work.
- Jeremy Matt is worried because he is at 300 feet with a mound in the way, but he had hoped to keep costs to \$1,100 doing it himself.
- John Reid lives on a public road with a utility pole that is 2,500 feet to the nearest fiber. Both Lucas Stubbs and Olivia Kantyka took care of John Reid's concerns which encouraged him to become part of CVFiber.
- Christopher Shenk is also concerned about his location.
- Henri Amistadi is happy to see how far CVFiber has come and to see the problems that are being addressed. He sees the organization has matured.
- Tom Fisher asked if there are four houses that don't have fiber going to them and the farthest person took service, does this person reduce the costs to everyone else. Roger Nishi said WCVT would prefer to know in advance if the other homes would like service. It is

best for everyone so WCVT can find a way to group customers which saves everyone costs. David Healy said the other houses are not helped now. The grouping needs to happen in advance not after one customer has taken service and the others have not.

- Roger Nishi says that Waitsfield did not consider the additional costs from the MST, and they are continuing to monitor these costs.
- Olivia Kantyka noted that we are here for the good of everyone. Keep this beacon of light lit.
- Lucas Stubbs agreed; we are making progress, and the numbers are climbing.
- Jennille Smith said these two comments are hard to top, but the documentary does remind of us our goals.

Adjourned at 7:33pm.

Respectfully submitted,
Jeremy Matt, Clerk