

NEK Community Broadband

Governing Board Meeting Minutes

December 10, 2020 - 5:30pm - 7:00pm

Attendees (see list)

Roll Call - 3 Min

Agenda Review - 2 Minutes

In January the Committees/boards will revisit the idea of longer spaces of time between governing Board meetings and policy changes or procedures that may need to be in place to make that happen

Public Comment - 5 Minutes

Consent Agenda - 5 Minutes

- Accept Walden into NEK Broadband
- Approve meeting minutes
- FYI: Exec. Comm Minutes; Finance Comm. Minutes, Tech Comm. Minutes, Christine's weekly updates
- **Motion to approve Consent Agenda Motioned: Jennifer Barone, Seconded: Kathleen Monroe, Carried: (24-0)**

New Business - 70 Minutes

5:45 - Administrative & Committee Update Discussion

- Question asked about the CARES act being extended: The language to extend the grants to Sept 30th of next year is in the Stimulus Package and Relief Bills. From the view of the Federal Government it would extend everything in the CARES grant, but we are unsure about line extensions at this point.

5:50 - Updates from District Administrator

6:05 - Finance Committee Charter Update & Vote

- **Motion to amend the Finance Committee charter by adding the phrase, “If the Treasurer is also the District Administrator, a member of the Governing Board serving on the Executive Committee will be appointed chair by the Executive Committee.” Motioned: Katherine Sims, Seconded: Michael Strait, Carried: (24-0)**

6:15 - Annual Report & Vote

- It is the responsibility of the reps to get the annual report to their towns and select boards for their annual meetings.
- The budget has changed slightly from before. The \$460K is for the Concord project as a placeholder, and the CUD may need to take a deep dive to look for other options that may be a better return or opportunity for the CUD.
- The CUD previously voted on a draft. There have been some adjustments to the narrative and changes to the budget. The annual report now reflects the updated activity. The changes to the budget are having to do with targeted grant fund projects and the extension of the CARES grant.
- Make a change to the Annual report on when Walden was admitted into the CUD. And also Caro in minutes (Seconding)
- **Motion to approve the 2021 CUD Annual Budget Motioned: Mark Whitworth, Seconded: Katherine Sims, Carried: (24-0)**
- **Motion to revisit the November Minutes and update Brownington’s entry with Paul Fixx as a Seconded. Motioned: Paul Fixx, Seconded: Noah Armstrong, Carried: (24-0)**
- **Motion to approve the annual report with the amendment reflecting Waldens actual acceptance date (12/10/2020) Motioned: Caro Thompson, Seconded: Noah Armstrong, Carried: (24-0)**
- The CUD encourages the reps to provide reports to their town.
- The reps could put together some talking points for the towns for their annual meetings. So that there isn’t any misrepresentation.
- It would be good to have more people involved in the Communications Committee so that the Committee may have more information to be able to send out end products like the suggested above.

6:10 - Northern Enterprise MOU & Vote

- Christa Schute: MOU between Northern Enterprise and NEK Broadband

- The purpose: to get everyone (Northern Enterprise and the NEK CUD) on the same page.
- The new board will consist of Kristen Fountain and William Piper, and one member from the Northern Enterprise (as stated previously in the November meeting)
- What is the phrase “Northern Broadband?” It will be changed to “NEK Broadband.”
- **Motion to move to Executive Session with Christa Schute and Christine Hallquist to discuss the confidential information related to contract negotiations and strategic planning of the Northern Enterprise MOU. Motioned: Michael Strait, Seconded: Jennifer Barone, Carried:(24-0)**
- **Motion to exit executive session. Motion: Carol Fairbank, Seconded: Kristen Fountain, Carried: (24-0)**
- **Motion to accept the proposed MOU with the attachment discussed in executive session and changes made before executive session, Motion: Michael Strait, Seconded: Jennifer Barone, Carried: (24-0)**
 - Discussion: A statement was given on the Executive Committees support of the MOU. Christine recommends the MOU as well.
- **Motion to amend the approved budget by removing the Kingdom Fiber project from the capital investment section. Motion Kristen, Second Mark Whitworth, Carried: (24-0)**

6:20 - Feasibility Study Discussion

- Tilson was 2 months late on the feasibility study. CUD received it over Thanksgiving. We would still like to obtain some mapping, back end data, and other details from them.
- Christine:
 - A significant portion of our area will be receiving RDOF funding. Especially Consolidated Communications.
 - Tilson made good base assumptions: Revenue, funding, assumptions.
 - Considerations: Tilson is expensive. (confirmed with EC Fiber)
 - It is suggested that the CUD should build with RFPs for themselves rather than hiring someone to build it.
 - If we can work collaboratively with Consolidated and VEC, we can add value to interconnect the RDOF areas and coming off of the RDOF with spurs to

connect people within the CUD that would not be able to be connected originally.

- Questions:
 - How do we ensure that Consolidated will look at and build their network in underserved or not-served areas? The VEC has oversight over these funds. The CUD should pay close attention to where the funds are being spent and follow up with the legislature.
 - Is it true that the winners of the RDOF auctions are required to serve the addresses in the blocks that they have won? Yes.
 - Do the winners have 6 years to do the work? A certain percentage is required every year. Risk: taking the penalty vs. serving someone. But it is not a monopoly. CCL will have competition with other funded areas.
 - Do we have funding to move forward with the next part of the business plan? Are we looking for another contractor to work with the CUD? Yes.
 - Are the take rates where we are the only competitive provider? In the spreadsheet there are different take rate assumptions. Each area have different take rate assumptions. It is correct when you are trying to overlay fiber and in less competitive areas. There may be areas where it is not competitive because there are fewer addresses. Probably not going to see competition in the RDOF blocks, but does the CUD want to align itself with other providers to help them build or expand their networks to serve more underserved areas. There are gaps in the map where people do not have access to highspeed internet. There are opportunities to grow outside the RDOF blocks
 - 2008 Telecommunications Recovery. Not enough structure to support where they were planning. The CUD/ Christine is having good conversations to make adequate internet available to everyone. It is encouraging that we are still moving in that direction. The RDOF does not change the mission, we may not be operating the network, but the CUD can advocate for the mission.
 - David Healy is currently in the process of making more precise and detailed maps.
 - The low price is \$75+ per month, what about subsidized services? VCUDA (state wide organization) EC Fiber has a solution, created a nonprofit entity that the CUDs can utilize to subsidize for certain income brackets.
 - How much do we want to make subsidizing part of the NEK CUD? Could potentially continue Northern Enterprise and fill them with a board.

- Have another session about the Tilson Feasibility Study and the next steps?
Yes, perhaps next week
- The CUD wants to talk with the RDOF block winners and ask what the CUDs role could be? Will continue the discussion with the committees and boards of the CUD
- Adding Newport to the CUD? Newport was named an “opportunity zone” by Tilson. Only allowed to build 10% outside the opportunity zone, Newport helped them to be able to build farther, but may not be strategic for the CUD at this time. Towns can join by city council or selectboard if they want to join. We have not reached out to them yet.
- A lot of information was given, and will be needing more processing time. Please contact the CUD for continuing the conversation. Interest in multiple sessions.
- Wendy Matthews would like more information on how to join the CUD. Mike Strait and Woodman Page will reach out and help, for Newport Center.
- Hoping to do a follow up with the VT digger and would like the Communications Committee to help develop language to help.

Other Business - 5 Minutes

Adjourn

Motion to Adjourn. Motioned: Kristen Fountain, Seconded: Jock Gill, Carried: (24-0)

