



## Governing Board Meeting Minutes

March 10, 2022 - 5:30 - 7pm

In-Person Location: None - see note re ACT 78 below.

**Attendees:** See attached list

### Role Call & Agenda Review - 2 Min

### Public Comment - 2 Min

No public comment was made.

### Consent Agenda - 1 Min

- Approval of Meeting Minutes
- FYI: Committee Minutes, Financial Reports

<b>Motioned: Dale Urie Seconded: Dana Casperson</b>	<b>For</b>	<b>Against</b>	<b>Abstain</b>
<b>Motion: to approve the Consent Agenda.</b>	33	0	0

### Updates

#### Executive Committee Action Review & Affirmation

<b>Motioned: Barb Nolan Seconded: Kathleen Monroe</b>	<b>For</b>	<b>Against</b>	<b>Abstain</b>
<b>Motion: that the Governing Board affirms receipt and confirmation, with no proposed revision or alteration, of the Executive Committee Actions document.</b>	33	0	0

- **Discussion Summary:** No discussion took place.

## Updates from Executive Director

- **Discussion Summary:** We have successfully completed the USDA ReConnect application for \$21.5 million dollars 50% grant and 50% loan. The new amount includes a contingency number. As costs have increased and strategies changed, we have revamped the business model and we are revising the business plan to apply for a Construction Grant. We will also be pursuing a VEDA loan for additional funding. We have signed contracts for Retail Service Operations and Network Operations with WCVT, and will soon begin charging our customers. A timeline for the build can be established after RFPs for construction have been finalized. More information will be coming in a few months, and Christa will keep the organization up to date.

## New Business

### Audit Summary

- **Discussion Summary:** Kristen gave an overview of the Audit. NEK Broadband was given an unmodified opinion. The financial statements were deemed accurate in all material aspects and found in compliance with all of the federal grant requirements. There were no difficulties or disagreements reported. The Audit will be used to seek out further grant funding. Improvements were made in approval of expenditures, journal entries, and reconciliations in that there are now lasting records for review, filings, and formal approvals. The organization will be seeking a CPA outside of the auditor for future use.

### Feedback Action Plan

- **Discussion Summary:** At the last governing board meeting, the breakout session included a time for feedback. The Executive Committee and Director came up with an action plan to address concerns. Christa presented that action plan to the board. Additional ideas are being collected on how the towns can share experiences and information with one another (i.e. Spring Picnic).

### ARPA/Town Hall/Office Hours Review

- **Discussion Summary:** Christa asked for discussion and review of the Office Hours. The Office Hours combined with the Town Halls were well received. A suggestion was made for quarterly or bi-annually for the Town Halls. Christa will work further on the scheduling for the Town Halls every 4-6 months. Selectboard members are welcome at the Town Halls.

## Organizational Meeting Reminder

- **Discussion Summary: Meeting Tuesday, May 10th, 2022 at 5:30pm.**

## Affordability Discussion and Break Out Groups

- **Discussion Summary:** Next month we anticipate reviewing the renewed business plan and model, which reflect changes in the grant funding opportunities, the new build strategy, and the revised business plan. Christa led a discussion on pricing, rates, programs, and the reasonings behind the pricing structure. Current: 50/50 at \$79.95 250/250 at \$102.95, Future rates will also include a 100/100, 500/500, 1G/1G with competitive prices.
- The CUD is building a public infrastructure, not seeking to be a for-profit company. Our profits will be invested in our infrastructure, to supporting programs, or (once the infrastructure is built) toward the reduction of rates.
- Our current model needs \$150 million dollars in order to ensure universal service to every electric utility served home.
- Could we do lower rates? We do not want to put the mission at risk by lowering our pricing or by offering slower speeds at lower prices. Once the organization has secured municipal bond financing and become cashflow positive lower rates can be evaluated.
- Christa led a discussion on the Affordable Connectivity Program and Equal Access to Broadband. We are approved for the Affordable Connectivity Program via the FCC. A subgroup for affordability was suggested to further discuss the possibilities of having an affordability focused price point based on low income guidelines.
- David Tucker and Claire Polfus volunteered to be a part of the Affordability Subgroup, which will evaluate options to address affordability for the customers of NEK Broadband.

## Other Business

## Adjourn

<b>Motioned: Barb Nolan Seconded: Michael Strait</b>	<b>For</b>	<b>Against</b>	<b>Abstain</b>
<b>Motion: to adjourn</b>	33	0	0



*Respectfully Submitted,  
Jami Jones, NEK Broadband, Clerk*