

NEK Community Broadband

Executive Committee Meeting Minutes

November 12, 2021 - 3:30pm -5pm

Physical Location: 142 Easter Ave, St Johnsbury, VT 05819

Attendees: Christa Shute (ED), Jami Jones (Clerk), Kristen Fountain (Treasurer), Evan Carlson (Chair), Morgan Wade, Michael Strait, Ray Lanier, Jonathan Baker, William Piper

Not Present: (quorum is 7).

Agenda Review

Updates

- Action Items Check In - Approve Minutes

Motion to approve the meeting minutes from October 29, 2021. Motioned: Mike, Seconded: Morgan, Carried:(7-0).

- Administrative Update
 - We have not received any resumes from those showing interest in the Executive Director position. The deadline is the 19th of November.
 - Evan gave a brief synopsis of the meetings with Stride. We will have more information next week.
 - Update on the Quickbooks, we have been working with Wendelyn, Christa and NRTC to improve the chart of accounts. We will be upgrading to Quickbooks Desktop: Enterprise and will be preparing for the Audit. We will be issuing an RFP for an accountant next week. We will be collaborating with NRTC grant experts and Kristen to complete the potential grant applications.
 - Evan- the fiber has been stored.
 - Christa will connect with Bill on where the Fiber will be stored. The storage in St. Johnsbury is full. We will have to make decisions on warehouse space. It was a challenge to get the material off and into the warehouse.
 - Nick- is willing to talk with the town manager in St. Johnsbury.
 - Mike- There may be space in Island Pond that is owned by a maple company from Canada. There may also be a hardware store near the town garage.

- We are trying to get the contact information for the Select Boards to circulate information more efficiently.
- Meeting Roundup
- Committee Updates
 - Comms committee issued the Press Release.
- Christa's Update
 - NEK Connect was today. It was a good session. Christine, Kurt, and Roger were on the panel and were able to answer questions in the forum. Someone from Lemington was there. All of the towns left are a part of the same school district, which may be a viable pressure point for the towns. The more towns we have, the more resources can be distributed across the state and the more people who are underserved, can be served with Broadband.

New Business

VCUDA by-law change approval

- Christa presented the VCUDA email for review. The purpose is to make a purchase of 1000 miles of Fiber for the rest of the CUDs. A letter of credit will be backed by CUD anticipation notes. The letter of credit would be secured by the purchased fiber.
- The consensus from the Committee was that the NEK urgently wants the other CUDs to be able to get the fiber that they need. The presented amendment could potentially hold individual CUDs liable for the payment of debt that they did not benefit from and set a precedent for VCUDA to take on more debt in the future.
- Discussion was held around the various ways that the amendment could be worded or what could be added to it to give the amendment more clarity on who is taking on the obligations of VCUDA. Possible revisions are listed below:
 - Bill- another bi-law change should make it clear about which members will step-up to payback obligations, but there is not an obligation just because a CUD is a member.
 - Christa-suggested the amendment be limited to this purchase.
 - Kristen- Suggested "such obligation can only be incurred with unanimous vote of the members."

- Bill- We also need a statement that the CUDs who choose not to participate are “held harmless” from the CUDs who are benefitting from the financial obligation and those who do not participate will not be held liable for the financial obligation. This would protect the non-participating CUDs with the assets of the participating CUDs.
- Bill & Morgan- could say that the only recourse for the obligation will be paid by the securities. That would protect all of the CUDs from recourse. Such as would take place with a mortgage payment. “no-recourse.”
- Christa summarized the possible suggestions:
 - “Such obligation may only occur with the unanimous consent of all members. VCUDA members may choose individually to participate in the security for such financial obligation, however no VCUDA member shall be held liable for the financial obligations of VCUDA. Any VCUDA member that chooses not to participate will be held harmless. With no other recourse beyond the security provided for such obligation.”
- Christa will clean up the revisions and show this to F.X. Flinn. The proposed bylaw amendment being in the spirit of: “With no other recourse beyond the security provided for such obligation.”
- Morgan-The Executive Committee will bring that affirmation to the Governing Board

Motion that the Executive Committee approve the proposed VCUDA bylaw amendment with the changes substantially in the form of those proposed in this meeting, making it clear that VCUDA obligation be secured only by the assets being purchased. Motioned: William, Seconded: Morgan, Carried (7-0).

Review KDP and Priorities & Partnership Discussion and Governing Board break out session discussion

Motion to find that the premature disclosure of the KDP details would substantially disadvantage the CUD and the parties involved. Motioned: Nick, Seconded: William, Carried: (7-0).

Motion to enter Executive Session under 1 VSA 313 with Jami Jones, Kristen Fountain and Christa Shute to discuss the NEK Broadband KDPs. Motioned: Mike, Seconded: Nick, Carried: (7-0).

Motion to Exit Executive Session. Motioned: Nick, Seconded: Morgan, Carried:(7-0).

Kristen left at 5:00pm. Bill left at 5:30pm

No action was taken in Executive Session.

Will follow-up on other possible times for new Executive Committee meetings.

Other Business

Adjourn

Motion to adjourn. Motioned: Nick, Seconded: Morgan, Carried:(7-0).

Respectfully Submitted,

Jami Jones, NEK Broadband, Clerk

A handwritten signature in black ink, appearing to read "Jami Jones", with a stylized, cursive script.