



**LAMOILLE FIBERNET COMMUNICATIONS UNION DISTRICT
EXECUTIVE AND FINANCE COMMITTEE MEETING
March 17, 2022 at 7:00 p.m.
Location: GMSS, 93 James St, Morrisville, VT
MINUTES**

7pm Call to Order: Jane Campbell called the meeting to order.

7:01pm Roll Call:

Committee Members Attending

(V=Present and Voting, P=Present, A=Absent)

P/V	Representative
A	Teelah Hall
V	Paul Warden
V	Jane Campbell
V	Stephen Friedman
V	Jeff Tilton
P	Larry Lackey

Other Lamoille FiberNet attendees: Val Davis

Public/Guests: Salvador Morales

7:02 pm Agenda changes & public comment: Add strategic goals to the agenda before the PTF discussion. All were in favor of the agenda change.

7:03 pm Approval of 3/03/22 minutes: The minutes were tabled until edits can be done.

7:04 pm Consent Agenda: No new invoices. No items to approve.

7:04 Legal counsel consideration: Val asked the Executive Committee to recommend to the Governing Board that LFCUD should work with Lerman Senter, if the contract has specified time period and not to exceed clause. Steve Coran from Lerman Senter responded provided Val with

the firm's qualifications and experience. The CUD had also reached out to two other firms but never received a response. Val pictured either of these two firms to act as an alternative to Primmer. Primmer serves many of the CUDs and also advises the VCBB. The current attorney being considered was recommended by EC Fiber and VCBB. Val recommended that the attorney from Lerman Senter be retained. The purchasing policy states that if the cost ranges from \$10,000-\$250,000, the CUD should get quotes from two or more potential candidates.

The policy goes on to state that the Governing Board can authorize a procurement process under certain circumstances. The committee agreed the CUD should work with Lerman Senter on the Google Fiber ISP negotiations (and continue to use Primmer Piper for other legal work) because Lerman Senter:

- has extensive experience with CUD matters and has very positive results
 - comes highly recommended by ECFiber and the VCBB
 - is working with our partner NWCUD and will therefore be more cost
- Jeff Tilton seconded. All were ineffective and the most expedient.

The final decision can occur at the next Governing Board meeting. If the Google Fiber negotiations fall through, then the CUD doesn't necessarily need to continue using this specific firm.

Paul Warden brought up the question of whether it is a poor decision to have the same attorney that the CUD's partner is using. The committee agreed that it would be wise to keep Paul's comment in mind for future reference. Since the CUD is using Primmer for general counsel, Primmer should be considered the "go to" if issues emerge in the future. Paul Warden moved to recommend to the Governing Board that the CUD should work with Lerman Senter, assuming the contract has a specified time period and not to exceed maximum. favor.

7:18 pm Review of strategic goals: The committee reviewed a reworked draft of the strategic goals, including both a strategic plan and operational plan. The plan goes through 2024 altogether, and Val will use it to provide the Executive Committee updates.

It was brought up that meeting the social media goal by the end of 2024, could prove to be difficult due to the constant need for fresh content once a social media platform is launched. Also, the Marketing Communications Committee recommended a quarterly newsletter that will launch once the ISP partnership agreement is in place. Jane suggested that in 2023, the CUD tries to have a presence on Google Maps and either Facebook or Instagram depending on the target audience. Then in 2024, other platforms will be addressed. questioned if that is realistic and how would it be measured. The objective is to strengthen the Governing Board, but the term "Active" needs to be defined to make this goal possible. Currently the CUD bylaws are not written to have a way to reach out to Towns.

Selectboards to notify them that their representative is not "Active." Not all committee members agreed with editing the bylaws to address how the CUD would go about reaching out to Selectboards to inform them of a lack of representation. Jeff Tilton recommended that, to ensure Governing Board participation, a bylaws measure stating something like "90% of the board

members need to attend 90% of the meetings” could be added and would be measurable. A bylaw change would be required for that to go into effect. The committee recommended that Paul, Jeff, and Val rework this measure of participation and outreach.

Another goal is to establish a rainy-day fund, and this was duplicated in two goals, so Val will eliminate one of the duplications. Also, Jane Campbell added wording to the contingency plan. Under the goal of expanded financial resources, the municipal advisor step should be moved to the top of the list. The function of the municipal advisor is to help figure out how any bond financing should be structured and to select the most advantageous bonds for the CUD. The CUD will be reaching out to VCUDA regarding municipal advisors to see if there will be a pool of municipal advisors for the CUDs to use. Once a municipal advisor is engaged, the CUD will go to the bond market.

There may be non-bond sources that will be explored, and these were added to the plan. The plan also needs steps the market-building section to include equitable access, buildout and service, finances, and management. Under financial resources it would be good to have a minimal level of earnings; the CUD needs to be financially viable in the long run, so having a minimum goal for earned revenue is needed and an adequate reserve fund is needed.

The Executive Finance Committee will take a last look of the plan by end of day Friday the 18th.

7:47 pm Stowe discussion: After speaking with Rob and Christine at the VCBB, Val noted that if the CUD’s per passing expense is greater than that of a provider such as Stowe Cable, it may make sense to instead partner with that provider. Larry Lackey mentioned that the cost of the build shouldn’t be the only thing in mind when it comes to partnering. Prices, services, reliability are key factors when considering partnering with local utility.

One critical factor to be able to work with Google Fiber and other partners is that the CUD needs to know the cost of the overbuild, but the CUD does not know this yet. It was also noted that Stowe will have the highest amount of underground build in our CUD region and that if a town drops out of the CUD, the CUD could drop below the Google Fiber threshold. The committee decided that once the cost per town is figured out, it would revisit this discussion.

7:57 pm PTF update: it has been publicly announced that LFCUD and NWCUD are in negotiations with Google Fiber. Tilson is continuing to work on high level design. One of the tasks is to separate the costs, customers, and network statistics between areas that are grant eligible and not eligible so that CUD can understand the project cost that is eligible for grant from VCBB and calculate amount of debt CUD would need to take on to finance the build. Tilson has given the shape files for the design and information to NRTC; NRTC is doing financial modeling for LFCUD and NWCUD and is using its own information regarding unit prices and labor. Tilson will also give its cost estimates in the future. The Partnership Task Force (PTF) had decided it would be a good idea to ask RISI to review structure of the partnership that is under discussion with Google Fiber to get a third-party review. The CUD will do this through allowance of consulting hours that RISI made available through a Vermont Community Foundation grant. Val reached out to RISI yesterday but has not heard back yet.

8:01 pm Executive Session: Stephen Friedman moved to go into executive session after “In accordance with Title One chapter 005, sub chapter 002 BSA chapter 313, we find that premature general public knowledge of matters under discussion would clearly place LFCUD, or a person involved at a substantial disadvantage regarding contracts.” He included all members of the Executive Committee, Larry Lackey, Val Davis, and Sal Morales. Paul Warden Seconded. All were in favor.

8:23 pm Exit executive session: No action needed as a result of Executive Session.

8:24 pm Adjournment: Jeff Tilton moved to adjourn; Paul Warden seconded. All in favor.

8:24 pm Meeting adjourned.

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