



Date Approved: February 25, 2021

Addison County Communications Union District dba Maple Broadband

Executive Committee Meeting Minutes

January 28, 2021

4:00 pm - 5:30 pm

VIA ZOOM

Steve Huffaker, the Chair of the Addison County Communications Union District (“ACCUD”) dba Maple Broadband, welcomed the representatives of the Executive Committee to the meeting, called the meeting to order at 4:02 pm.

1. Welcome/Call to order

The following members of the Executive Committee were present:

- Steve Huffaker, Chair, Ferrisburgh;
- Nancy Cornell, Vice Chair, Starksboro;
- Billy Sneed, at large representative from Ripton;
- Dan Sonneborn, at large representative from Bristol
- Magna Dodge, at large representative from Cornwall
- Arabella Holzapfel, Treasurer, ex-officio, Ferrisburgh
- Adam Lougee, Clerk, (ACRPC)

2. Approve the Agenda

Magna Dodge made a motion and Nancy Cornell seconded to accept the meeting agenda; all members present consented to the agenda.

3. Operator interview next steps

Steve Huffaker suggested that as their objective was to supply universal broadband to all the residents in all the member towns, and as they have received, discussed, and approved the feasibility study furnished by RISI and ValleyNet, they should follow the recommendations. Steve Huffaker pointed out that the feasibility study pointed to either partnering or merging with a neighboring CUD (which may be Otter Creek) or forming a public-private partnership with an existing provider in the region.

Arabella Holzapfel noted that based on the feedback from Great Works Internet, she was open to looking into a partnership with Otter Creek more deeply. Nancy Cornell noted that

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ECFiber is technically another neighboring CUD that could be considered. Steve Huffaker noted he got the impression that Otter Creek’s CUD may have a challenging time operating independently without a partnership as they may not have a large unserved geography based on the RDOF results. Nancy Cornell noted she would be open, once they have a provider or by working on the business plan with the provider, to revisit this more carefully.

Steve Huffaker noted that sequentially they may need to find an operator prior to building the network, and that the recommendation from the feasibility study would point to WCVT, ValleyNet, or Great Works Internet and not NRTC as they are not an operator. Steve Huffaker noted that following up with WCVT and ValleyNet may be good first contacts, with an expansion to Great Works Internet if needed. Billy Sneed noted that Great Works Internet and ValleyNet may be interested in partnering, which could be inquired about or Great Works Internet can be kept as an option if ValleyNet lacks capacity. Nancy Cornell noted there were discussions about choosing an operator first and that part of the discussion should be the logistics of the build.

Steve Huffaker noted that the benefit would be that this would move things forward and they could put together a 6-8 high-level discussion topics document that guides a conversation on operating models and interests to gather sufficient information. Nancy Cornell noted that the operators may want to get a sense of Maple Broadband’s preferences or goals, which should be included as part of the conversation. Billy Sneed noted he liked the idea of discussion points where they could share their thinking, and this could include financing, design, build, marketing, values, mission and goals, and ownership or operations.

Nancy Cornell noted that they could layout broad topics and questions that could lead to a more in-depth conversation to explore thinking. Dan Sonneborn noted he agreed with this approach as it would be an iterative process.

Magna Dodge noted that she would like to have a strong answer in these conversations about financing and what their approach would be as this is mission critical and Steve Huffaker agreed. Nancy Cornell explained it would be good to share Maple Broadband’s outlook on financing. Magna Dodge noted her interest in coming away from the conversation with more direction on accessing financing from the potential partners. Billy Sneed noted that the ability of Maple Broadband to access low-cost financing from the municipal structure was an asset. Magna Dodge explained that a need was start-up capital, which is likely \$1 - \$2 MM and hard to obtain without some of the other pieces in place.

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Dan Sonneborn asked if there should be due diligence done to seek out start-up capital funds if there is no interest from operators in doing so. Magna Dodge noted that operators may have the capacity to support Maple Broadband for start-up needs which could be repaid and Steve Huffaker noted this could be asked during the conversations. Billy Sneed noted he did not think that Maple Broadband needed to own assets or have employees and asked if this was the opinion of other Members, and Steve Huffaker noted that ECFiber may be an exception in that they do own the network and that Maple Broadband’s true interest was to build infrastructure.

Arabella Holzapfel noted that Deerfield Valley’s business plan mentions Matrix which fronts financing, does design and construction, operates for 20 years and offers after 20 years for the CUD to buy the network for \$10 and this might be an interesting option.

Nancy Cornell asked if the process would be to reach out with WCVT and ValleyNet to see if they would like to have a further conversation on partnership. Steve Huffaker explained that they were currently on track to follow the recommendations of the feasibility study and could regroup if these recommendations do not help achieve the goals.

Steve Huffaker made a motion for Maple Broadband’s Executive Committee, after achieving approval from the full Board on February 3rd, initiate discussions with potential operators including but not limited to ValleyNet and WCVT with an objective of identifying whether either or both of these operators would meet the full needs of Maple Broadband. The motion was seconded by Dan Sonneborn.

In discussion of the motion, Arabella Holzapfel recommended an amendment to the motion so that it reads any or all instead of including but not limited to. Nancy Cornell asked as these are not negotiations but discussions, whether they would need the approval of the full Board, and Steve Huffaker noted that this would be a good step to take for transparency. Nancy Cornell suggested that Maple Broadband inform the operators ahead of that decision, and Steve Huffaker noted he would want approval from the full Board before moving forward. Dan Sonneborn asked if it would be prudent to be more specific on next steps that pointed out that they would like to follow up with ValleyNet and WCVT. Steve Huffaker explained that if the outcome is not what they had hoped, they may want to approach Great Works Internet and noted that operator may be good to include in the motion.

Adam Lougee asked if they would be asking for a high-level agreement in principle, with no specifics but an agreement on big picture issues, which was confirmed by Steve Huffaker. Steve Huffaker noted they are not negotiating but trying to tease out the speaking points and

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who would be a good fit so they can move forward with negotiations. Nancy Cornell asked about the timeline, and Steve Huffaker noted if there is a good fit, they could be getting approval from the full Board to start negotiations ahead of the next meeting in the form of an additional motion. Billy Sneed noted he would still like to talk to Great Works Internet, understanding they do not have infrastructure but he was impressed with them. Steve Huffaker noted in the motion, there was language that was inclusive but that the recommendations from the feasibility study were pointing to operators in the region as a starting point.

Arabella Holzapfel confirmed that an operator would mean a post-construction partner focused on operations. Steve Huffaker noted this can be a grey area if an operator has build capacity, like WCVT, but it is a fairly clear differentiation. Nancy Cornell noted some of the operators contract out build work but have oversight of operations. Billy Sneed commented that the operators tend to oversee subcontracted components. Magna Dodge noted that the next stop should be a conversation with lawyers to ensure consistency with what can be discussed. Adam Lougee noted he thought business terms would be important to discuss and clarified that this could be pricing, services, and thoughts about management and construction oversight.

Steve Huffaker reiterated the idea of the motion, focusing on the need to approach potential operator partners to discuss high-level topics. There was discussion of the specific wording of the motion given the intent to have conversations with operators to find an operator that was in alignment with the mission and vision of Maple Broadband, with the approval of the full Board.

Adam Lougee asked if there was an interest in re-approaching NRTC after the RDOF auction. Steve Huffaker noted that the operator may want to vet the builder which could be part of the conversation. Arabella Holzapfel noted that the feasibility study recommendation states a partnership with an operator, and they would be following that guidance. Steve Huffaker noted that the feasibility study is silent on what happens if the recommendations do not work out, and in this scenario, they may approach NRTC about a new feasibility study.

The motion was amended to read, *pending the approval of the Full Board on February 3rd, the Executive Committee will initiate discussions with potential operators before taking more formal steps. The motion passed unanimously.*

4. High-level network design RFP

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Steve Huffaker noted that NRTC had noted the need for a high-level design and a pole survey. He has created and peer-reviewed an RFP for high-level design service and identified two potential bidders who have agreed to bid, with a third that could be found easily. Steve Huffaker noted that in discussions with Great Works Internet, they thought this might not be a good idea but as he has already done the groundwork, this could be something they could pursue.

Nancy Cornell noted that as design would be a topic for a potential operator, issuing an RFP may be premature. Steve Huffaker noted that the benefit of the conversations would be to clarify if operators would be interested in this work. Nancy Cornell noted that she was aware there might be a statewide pole survey and Steve Huffaker clarified that the funds may not be adequate for this task. Arabella Holzapfel explained that in the Deerfield business plan, high-level design was noted and explained as hub locations and poles. Steve Huffaker explained that high-level design was mentioned by Stan Williams in a PowerPoint in front of the legislature although he was not enthusiastic about it in further conversations.

Steve Huffaker noted he thought it would be a good idea to table this discussion until there were conversations with operators.

5. Operations report

Billy Sneed noted that pre-subscriptions had slowed down, and that they were at 300 a few weeks ago and they were at 335 currently with 0 additional volunteers or help requests. Billy Sneed noted that the forwarded voicemails was the most activity, and that emails were from people who wanted to be added to the list.

Steve Huffaker asked about moving the outreach tools out of RISI and into Maple Broadband’s website and it was noted by Billy Sneed that he would reach out to RISI to ensure that the tools could be moved and welcomed feedback from the Executive Committee on the content. It was agreed that Billy Sneed would send along a message for feedback to the Executive Committee and Steve Huffaker suggested that they have a conversation with Alex from RISI on the matter.

6. Financial report

Nancy Cornell has identified 16-18 possible funders that are competitive, 11 have no deadlines or deadlines that could be met, and all the pools are relatively small, between \$50,000 and \$300,000. Nancy Cornell explained that most of these grants are for at least 3-6 months out, except for Vermont Community Foundation. Nancy Cornell noted that there are a few potential writers of letters of intent and grant applications and she is working on a

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document that could be used by grant writers. Nancy Cornell thanked Magna Dodge and Dan Sonneborn for their help and noted she would be seeking guidance on what should be applied for and what the funds would be spent on.

Arabella noted that the checking account balance was staying at roughly \$26,000 and that there were no payables or receivables in the balance. Steve Huffaker noted that there would be the upcoming expense of the minute-taker. Arabella Holzapfel clarified the payment terms of RISI with respect to the business plan.

Magna Dodge asked if volunteer time that is expressed in the financials could be used in grants and Nancy Cornell noted that it would be helpful to keep track of this for in-kind contributions to grants and asked for weekly estimates for time spent on Maple Broadband activities.

7. Other business

Dan Sonneborn noted that he had followed up on the grants available through the Town of Bristol and it appeared that there was \$100,000 available which could be a good match and he had received an application. It was confirmed that Steve Huffaker and Magna Dodge would be happy to appear at the February 8th meeting as she had a conflict on the 22nd.

8. Future meeting: February 4

9. Adjourn

The meeting was adjourned by consensus at 5:30 pm.

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