

**Minutes**

WiredWest Board Directors Meeting

Cummington Community House, 33 Main St.

Cummington, MA 01026

Saturday, February 25 2017, 9:30 am

Called to order: 9:50am

**Welcome and Introductions** 5 minutes

**Approval of Minutes** 5 minutes

 February 4, 2016 – approved unanimously, Art Schwenger abstained.

**Report from the Chair** The Executive Committee completed 2nd interviews with OTT and Westfield Gas & Electric (WG&E) to narrow choices. Jim and a small group will meet with Carolyn Kirk (Deputy Secretary of EOHED) March 9.

EC has had a discussion on operational issues, e.g. surcharges, subsidizing drops, etc. Currently, a 2/3 majority is needed to decide how to spend excess; that will not change. Surcharges to support MLP or other town needs - must be MLP related and there should be a limit on the charge, since WW and provider will pay most operational expenses. Jim recommends funding town MLP expenses via Town Meeting. Then if excess revenue won’t support the expenses, you are covered. If there is sufficient excess revenue, then they town money won’t be spent. Currently Plan A2 does not cover this, will need to add some explicit language. Robert Heller – thinks state law may restrict collected money to MLP costs and require that subscriber fees should cover all MLP expenses.

**Regional Broadband Solution**

January 28 meeting was very successful. A number of towns have asked for follow-up meetings.

**MBI Update**

MBI’s Worthington meeting – no towns said they wanted Charter or Comcast, most towns asked to work with WG&E for Design/Engineering and asked for Professional Service allocations. Peter Larkin told Jim Drawe that Professional Service money was just a pool, not allocated specifically for towns. Peter Larkin told Goshen that MBI would be willing to spend extra money to incentivize Comcast (~$300,000 over construction + Professional Service funds originally specified). A cable company will be a monopoly in our towns, unlike urban areas where users have a choice, so we will have little leverage. Steve Nelson stated Peter Larkin said he thought WW was “moving in the right direction.”

Bob Labrie – Goshen met with Peter Larkin, who told them town should decide by March 10, so he can present to MBI Board on March 27. Goshen pushed back; they are planning an informational Town Meeting, then a Special Town Meeting to validate their choice. Goshen met with Comcast regional sales person. Comcast had good answers to many questions. They said 96% coverage is their lower threshold. One road which is on town line – they might have problem if poles are in the other town. Proposed completion by end 2018. Goal to have DOCSIS 3.1 rolled out by end 2018. Peter Larkin said he’d guarantee the extra funds in writing. Craig Martin asked Charter if town could pay for the last 4% of premises. Charter rep says that last 4% could cost 20% of total construction. They would not be able to say how much it will cost until they do design, which requires town to commit to them. Jim Drawe noted that if a cable company is chosen, a franchise agreement will be needed, which can take a long time (Peter Larkin said 2 months). Kimberly Longey – the extra money cable companies want should be kept in mind. Bob Handsaker – MBI saved some money on the partial cable towns Charter builds were $2M less than MBI original estimates. Craig Martin – pole survey in Shutesbury started in November, not done yet – it seems they are slowing down the survey. Washington pole survey was completed – count went from 600 (Cartesian) to 800 – including some poles in Becket due to the standalone design. Leverett makeready averaged $387/pole. Todd Corcoran (MBI Construction Manager) said anticipated makeready cost in Ashfield doubled after their pole survey. Rowe also met with Todd – their pole count was ~25% higher – includes poles in people’s driveways. May need to create a separate 200 pole block application to pay for 2 poles in Charlemont. Todd is not opposed to WW helping to ensure consistency. Todd suggested that towns could create agreements to share fiber to eliminate duplicate efforts.

Bob Handsaker – Charlemont is asking for accounting on how much allocated for the town has been spent. Other towns should ask. Jim Drawe will be asking for a full accounting for all the MBI funds. Kimberly - Plainfield hosted Bill Ennen – liked WG&E response with charges for Design/Engineering. Ennen encouraged town to do pole survey with MBI. Ed Donnelly says ANF has not given much money to MBI – they get it project by project. Steve Nelson – Todd warned that negotiating with utilities is very difficult, towns should not do it themselves – but MBI would assist if they are doing the Design/Engineering.

Steve Nelson – MBI has made some accommodation with the new MBI-Assisted Build Program – felt it was important to acknowledge that.

MBI-Assisted Build Program – previous Design/Engineering RFP was broad, to cover all towns with little details, so responses were inflated. This time, it would be smaller groups with more detailed information. Jeremy Dunn – this will take more time (multiple RFPs), feelsl that WG&E is our best option, more affordable - even if they bid, they might not win. Todd Corcoran will add value, but he doesn’t see any other advantage.

Jim D awe– design work on a small group basis does not add up to a regional network – we can save money even in Design/Engineering as a regional network. We can work with WG&E as MLP-MLP without extensive negotiations.

Peter Larkin has stated that only input from SelectBoard has weight. Towns should try to pass resolutions and send to Jim (or mail to the Old Courthouse, 99 Main St., Northampton 01060).

Jim Drawe invited WG&E to the meeting with Carolyn Kirk – to demonstrate that we have an experienced partner – can also address the construction issue.

Bob Handsaker – concern about paying for makeready before we have the final cost for the construction. Design should be done 100% on state money, so the town will know how much it will cost. Concern that MBI assistance will mean MBI approval (e.g. choice of ISP).

Meeting with Carolyn Kirk – Jim Drawe – we can move forward quickly with Design/Engineering with WG&E. MBI does not have a way forward for most towns, except to publish another Design/Engineering RFP. But we need to be able to pay for that – Dec 20 meeting stated that the Professional Services fund is a pot of money (but it had been for developing a regional network). This is what towns based their voting for funds on, so it should be honored. We want them to state that they support a regional solution for operations, which will solve the problem for small towns. We will dedicate time to planning for the meeting; developing agenda, collecting data. Art Schwenger – should make sure to indicate which towns we are representing. Resolutions from the towns are huge.

Doug McNally – Karyn Polito asked them about broadband and said Michael Knapik (director of Governor’s Western Mass office) should included – he is invited, and also Tim Connelly, the Executive Director of MTC, Marilyn Wilson and Gayle Huntress and WGE.

Leslie – some towns can’t get the resolution done (in time), but have already sent comments – would be good to include those letters.

EC will be planning for the meeting next Wednesday.

Jim D would like to see MBI involved as Owner’s Project Manager. He spoke to Holyoke Gas & Electric about that role. Kimberly – Plainfield does not agree, thinks MBI will be more politicized. An independent OPM would be better.

Jeremy D – concerned that MBI was going to ask approval of MBI-Assisted Build Program without the Board having seen it in advance.

Shutesbury may ask town to approve the full build cost.

Bill Ennen suggested that Plainfield just go ahead like Otis and ask for full reimbursement – he thinks they will get it.

Kimberly doesn’t think the Commonwealth will just hand out checks, they would need a different grant-making institution. It might be better to move the grant-making to EOHED, towns are used to working with them. Jim Drawe – some in Western Mass delegation are not in favor of MBI. Doug McNally thinks governor’s level is key, more than delegation. Steve Nelson – to move the money out of MBI will require legislation. Could just ask MBI to issue grants.

Jeremy Dunn – emphasize that towns can’t save MBI123 network.

MBI states they have “fiduciary responsibility” but so do our town official.

**Status of Town Resolutions**

Regional BB resolution – Washington Goshen, Becket Windsor Shutesbury Rowe. Plainfield to discuss Monday, SB Tue. New Salem to SB Monday. Please email to info@wiredwest.net &/or send to 99 Main St, Northampton 01060.

Some towns concerned that support for WiredWest will jeopardize MBI support funding – they can substitute “regional network” for WW.

**Reports from Committees**

Legal – MBI Procurement meeting – 2 things:

* 30B procurement. Law says MLP is exempt from 30B. Handout – Warrant article for creating an MLP board. The SelectBoard can manage, but there are benefits to an elected board – MLP answers to rate payers, so is somewhat independent from town politics. EC is trying to get a written ruling for this. Leslie – Brian Hawthorne suggested being on the SelectBoard & MLP management could be a conflict.
* Depreciation Reserves – DPU says they have no authority to regulate depreciation reserves – MGL prohibits regulation of VoIP & Internet. Jim feels its fiscally prudent to create reserves for electronics, but not the fiber plant (useful life up to 50 years). No requirement to do it immediately. Depreciation reserves depend on useful life of equipment (not financial depreciation for tax purposes). Bob Handsaker – show these findings to Carolyn Kirk, etc. to show how WW adds value.

Finance

* MBI grant – Bob Labrie supplied estimate to MBI of how we’ll spend remaining funds.
* Bob Labrie – has prepared invoices for towns for FY2017 contribution.

Outreach

* Bob Labrie & Tim Newman were interviewed on WGBY – aired February 7:30 pm.
* Tim Newman wrote an article for Berkshire Trade & Commerce - they ran the whole thing
* FaceBook page has been active. David Dvore has been updating the website regularly from halfway around the world.
* Berkshire Eagle has done extensive reporting on broadband. They are working on an article on the MBI-Assisted Build program before Monday. Gazette & Recorder covered the Private Partnership RFP meeting, at first it confused the issue, then published a retraction.
* NY Times contacted Tim. WGBH was interested but reluctant to come to an unserved town.
* Meeting with towns – currently scheduling. We will post a schedule online – towns which want someone to present should contact us. It can be an SB meeting or a citizens meeting.
* New Marlborough sent 4 page (23 question) list to WW for response. The 4 town RFP is due this week. Bob & Tim did an update for New Marlborough – asked what WW costs would be. Reply that WW expenses would be minimal. Bob has asked what expenses people think we’d need – almost all will be covered by our provider. Doug McNally – the overhead is your town delegate, currently volunteer. Craig – we’ll have some expenses, e.g. legal. Bob – we can still assess the $1,000 fee, if we have excess revenue can use that. Jim D – the activation fee of $99 will be used to build a reserve, for insurance deductibles but could cover other expenses. Doug McNally – small towns need an intermediary – WW can take that role. Kimberly – we should quantify the value of WW (e.g. the value of time contributed by volunteers) - People don’t value things which are free. Jim – we’ll need legal counsel, accounting – for MLP manager financial reports, paying pole licenses, insurance, etc, possibly auditing. Jim D – we have asked for reporting from providers, board responsibilities will diminish until time to negotiate new contacts. Steve N – thinks WW will need more resources – an office to store files, meet, etc – also a Social Media Director.
* New customers - 3 kinds – those who didn’t sign up at first – should be in the budget. New houses – talk to planning board re policy to include cost of BB connection (along with electric, etc). Developers: town should require that they include BB as well as other utilities. FRCOG has grants to support developing bylaw changes. Connected house changing hands, we’ll likely just charge the activation fee. Jim looked at old Cartesian model – got $380 for drop, ONT & splicing. Chris Murphy – there are other costs – suggests $1,000-1,500 per drop estimate – ask MBI to be responsible for makeready on MBI123 poles.

**Other Director Input**

* Town Meeting coming up. Plainfield gave planning grant money to WW – is there money for outreach? Bob Labrie - yes – he told MBI some money would be spent for marketing. Jim Drawe – suggests Special Town Meeting to approve the MLP board, so people could be on the ballot in town election.
* Russ – some people/towns think WW is Internet only, not including phone. Jim D – Internet + phone cost will be similar to current phone charge.

**Confirm and Schedule next BoD meetings**

Next March 18 – Blandford Town Hall 1 Russell Stage Road

April 15 – Windsor Town Hall

**Other business which could not be reasonably foreseen within 48 hours of meeting**

**Adjourn** Jeremy Dunn moved, Leslie Rule seconded motion. Meeting adjourned at 12:31pm