



## MINUTES

WiredWest Board of Directors Meeting

June 13, 2015 9:30am

The Center for Cultural Evolution

68 Van Nuys Rd. Colrain, MA 01340

**Welcome and Introductions** – Monica welcomed the delegates and guests and thanked our hosts for a lovely location and wonderful refreshments.

**Approval of minutes** from the May 9, 2015 meeting – Glenn moved; Jim Drawe seconded. Three amendments were submitted in writing by Steve Nelson. Amendments were accepted. All in favor with 3 abstentions (Jean Atwater-Williams, Bob Armstrong and Charley Rose).

**Report from the Chair** – Monica reported that we have had a good town meeting season with every town (with 1 exception) passing the warrant article and debt exclusion. Dan Jacques spoke to the reasons for the failure of their warrant article by only 2 votes. They will be redoubling their efforts and will try again. Monica spoke to the benefits of the fiber network, including recent news items about the benefits of fiber and Verizon's move away from copper. Monica shared that most towns have used the WiredWest warrant article wording and that those who used generic wording are intending on participating in the WiredWest network. Monica also mentioned that at this critical time the executive committee is spread very thin and if a delegate wants an issue to be addressed, it should be brought to the EC at a regular meeting. Agenda items should be sent to the EC approximately 10 days in advance so it can be discussed by the EC for inclusion on the Agenda, which by OML must be posted 48 hours in advance.

Monica spoke about the private sector companies who are now soliciting towns. Members of the EC have spoken to bond counsel about the Axia model, which reduces costs by about 30%, but returns no profits to the town. Bond Counsel has said that proposal would not pass muster for municipal bonds. Monica cautioned that these proposals require financial modeling expertise which may not be existing among all select boards. WiredWest will be producing information for Select boards to consider when evaluating these proposals. Monica also shared that Adam Chait of Berkshire Fiber has been asking for executive sessions with select boards in towns where he is targeting. This is a clear violation of Open Meeting Law and should not be allowed.

**Fiber Town Campaign: Ongoing Efforts & Next Steps** - As of this meeting, we have 6,255 people signed up. Jim explained that the online sign up glitch is due to a change made by Amazon's system and Crowd Fiber is working to make its site compatible with the change. All sign ups at this time are being done by mail until this can be resolved. Data entry is now being done only on Wednesdays. Materials such as postcards, call sheets, etc will be posted to the website. Leslie Rule (Alternate from Plainfield) will collect these materials and coordinate

getting them posted to the website. Towns should be recycling signs and sharing with other towns who need them. 8 towns have not yet voted, but we expect 22 towns to have voted by June 30<sup>th</sup>. The original deadline was June 30<sup>th</sup> 2015 for the 40% attainment. This deadline is primarily for decisions around early engineering, make ready and construction. The MBI funding deadline is June 30<sup>th</sup>, 2016. The build/no build decision has a much longer timeline, which cannot as yet be determined. The earlier 6-20-15 deadline determines which towns will have input into the bylaws for the new fiber cooperative. **David Greenberg made a motion to remove the subscription deadline of June 30<sup>th</sup>, 2015 and at a later date a realistic deadline be established. Lark Thwing seconded. All in favor with one against (Steve Sautman, West Stockbridge).** Towns who have passed the borrowing authorization may participate in the bylaws discussion for the new cooperative. First draft of bylaws and regional agreement hoped to be distributed by first week of July with a 30 day comment period. Final proposed bylaws targeted to be completed by September or early October. There are concerns about some data integrity such as duplicates, misspelling etc. Jim will speak to Greg Richardson at Crowd Fiber.

**MBI Update** - Monica reports that MBI was somewhat surprised about the support WiredWest has had vis a vis towns passing the bond authorization and they have reached out to us. We have resumed meeting and MBI has received some of their funding and some of the WiredWest expenses will be underwritten. MBI funding is somewhat different under this administration. They will be getting money as needed for actual expenses rather than receiving bulk funds. Monica has submitted proposed legislation to reduce construction costs to the MBI. Steve is working with MBI bond counsel to be sure the bond placement will be successful. MBI has sent out information about the grant process to towns. WW will respond and send information to towns about how WiredWest towns will work within this process. For towns working with WiredWest the select board will be required to certify they are authorizing WiredWest to act on their behalf. Jim, Monica and Steve are working with MBI bond counsel to ensure that the bonds will be in the best position in terms of interest rate (lock in) and salability of the bonds themselves. EC will send information out regarding the MBI planning grant. EC has asked MBI to work with WW on the detailed engineering to ensure cost and operational efficiency. MBI has tentatively agreed. We have asked for legal assistance and Steve is working with Bond Counsel. Jim will be working with MBI to look at modeling outsourcing various services vs. doing various operations internally. We are negotiating with them to reduce the costs of middle mile backhaul. Weekly meetings will continue. Larry Klein brought up a concern regarding ownership of the network and that although MBI has verbally stated that WiredWest will own the network, it has not been committed to in writing. Another delegate asked if things are on schedule with MBI in terms of engineering and pole surveys. National Grid recently released new guidelines which will need to be adhered to. Work will commence beginning July 1<sup>st</sup>.

### **Committee Reports**

- Cable Towns – Glenn reported that several cable town delegates met with MBI and discussed issuing an RFQ to look at other companies who may be able to meet the needs of the cable towns and their qualifications.
- Marketing – supporting the fiber town campaign; lots of media interest and letters to the editors in various towns. We will support writers who wish to write responses

- Governance / Legal / Town Paperwork – Jean reported that all paperwork will be reviewed at the formation of the new cooperative. Jim reported several governance committee meetings have taken place. They are working on ownership and voting, operations issues, etc. The cooperative will own the assets, but if a town will have a proportional interest but if a town wishes to leave, there will be some type of a buyout option. EC 5-7 members elected at large. Questions followed.

- Finance – Draft Business plan – Monica and Jim overviewed the draft business plan and cautioned that it is “VERY DRAFT”. Some sections are well crafted, particularly the financial information, but other sections need a good deal of work and some sections are incomplete. This draft is not for general distribution. A more finished draft will be produced in the next 2-3 weeks. Delegates are encouraged to read and provide feedback. Jim also submitted approximately \$42,000 of expenses to MBI for reimbursement. Delegate asked for a financial report at the next board meeting, including the monies received for pre-subscriptions. Jim verbally reviewed the process for both credit card transactions and check payments.
- Town Liaison – No report
- Technology – Halloran reported on his discussions with MBI regarding technical considerations for the network.

**Other Director Input** – Monica brought up (by request) clarifying the language surrounding fees. There will be an activation fee of \$100 when the account is turned on. We are no longer using the language “connection fee” as it is confusing. Installation fees are construction fees and at this point it would only apply to those with driveways longer than 750 feet. There have been no decisions made regarding installation fees for those signing up after the construction phase. Jim also reviewed how he is addressing part time residents’ service for the purposes of the financial model, which are conservative, but no decisions regarding actual plans have yet been made. Questions were raised and discussed about connection to houses, additional services, TV packages, etc. Final decisions have not been made. It is too early to do so. Further discussion was around some of the other providers who are petitioning towns.

**Confirm and Schedule next BoD meetings:**

- July 11<sup>th</sup>, 2015 in Wendell (Old Town Hall) at 9:30 am
- August 8<sup>th</sup>, 2015 in Montgomery (Town Hall) at 9:30 am

Meeting adjourned at 12:32 p.m.