

**Minutes**

WiredWest Board Directors Meeting

Becket Town Hall, 557 Main St

Becket, MA 01223

Saturday, February 4 2017, 9:30 am

Called to order at 9:40 am

**Welcome and Introductions**

**Approval of Minutes**  January 14, 2016 – Art Schwenger moved, Doug McNally seconded. Approved unanimously.

**Report from the Chair**

**Annual dues** Jean Atwater-Williams moved, ? second – to ask for annual dues of $1,000 for FY2018. Approved, Charley Rose abstained.

**Resolution for SelectBoards:** There are 2

1. RESOLVED: The Board of Selectmen of the Town of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ hereby confirms that we are interested in working with the Westfield Gas & Electric MLP (WG&E) through WiredWest to provide Design and Engineering services and construction Project Management for our town owned fiber to the premises network based upon the fee schedule that was in the WG&E response to MBI’s private partner RFP.

In order to accomplish this, we request that MBI provide the professional services allocation to towns that are managing their own build.

\*\*End or text of Resolution\*\*

*Discussion:* WG&E would prefer a single contract with WW, rather than each individual towns. Jean asked if towns could join just for D/E if they want to operate standalone, yes, they can. This resolution is non-binding. Kathy Soule-Regine this would show the towns how we can get to operations. The towns will have about 60 days to pass it. There will be a cover letter expressing the reasons for the resolution. Al Woodhull would like more information on advantages of an MLP, Leyden is deciding whether to work thru the MLP. MLP working with another MLP is exempt from 30B. MLPs are exempt to 30B procurement, but IG rep felt MLP must have a board or commission to be exempt. MLPs should use bid process for materials or equipment over $25,000. Steve Nelson – SelectBoard can appoint an MLP manager, MLP board would need to be elected, not appointed. Select Board still must approve bills. Ashfield is creating an MLP advisory board (2 other MLPs in MA have this).

Motion carried unanimously.

Updated resolution carried unanimously, text above is final.

1. RESOLVED: The Board of Selectmen of the Town of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ hereby confirms its preference to build a municipally-owned “fiber to the premises” broadband network. At this time, we support the WiredWest Regional Broadband Solution to manage and operate the Town network on a regional basis in conjunction with other towns that subscribe to the services offered by WiredWest.

\*\*End or text of Resolution\*\*

*Discussion:* Delegates can present both resolutions to the town at once, or separately.

Motion carried unanimously, Al Woodhull abstained

1. A third resolution was proposed to request MBI to release Professional Services funds to towns which choose to construct on their own.

*Discussion:* Based on latest word from MBI re: handing construction funds to the towns. Steve Nelson – we could add this to the 1st resolution. Bob Handsaker this should ask for policy change to cover all towns.

Doug M moved, Jeremy seconded to add this to first resolution. Revoted above.

First resolution will go to SelectBoard, second will go to delegates in attendance, so they can decide timing. Charley proposes contacting non-attending delegates first rather than sending directly to the SelectBoards.

Discussion from January 28 Workshop

WW Regional solution was presented. 2 tiers of service. Towns responsible for debt service (expected) and depreciation reserves (since town owns the network). Towns can add depreciation reserve to subscriber fees, and possibly debt service. There was an exercise to determine what depreciation reserve would be for the town based on take rate. Verizon is main competitor in our towns, so prices need to competitive with them. Looking at 100% of low tier, no phone, 40% take rate, we can cover the costs (aside from debt & depreciation).

Towns asked if they can put other fees on the bill. Jim Drawe thinks fees for services should only relate to that service (see below discussion). Bob Handsaker – towns might want to accumulate money to subsidize new connections after construction. Jim Drawe– budget was for 100% drops, if construction done to subscribers only, there may be money left that towns can borrow later. If take rate & mix higher than expected, there may be excess to go to towns – advises waiting for a year or so to see returns before deciding to add extra – he doesn’t think existing subscribers should subsidize future subscribers. A generic “local fee” may be violate consumer protection laws. Steve Nelson believes that we will need some staff as a startup. There will be a small group discussing what personnel would be needed – responsibilities, how much time, etc. Craig Martin– thinks there may be more work & costs for MLP manage, e.g. new customers. Kent Lew – see MLP discussion about responsibilities handed out at Jan 28 session – posted on our website [here](http://wiredwest.net/2017/01/29/wiredwest-regional-broadband-solution-presentation-january-28-2017/).

Towns asked about administrative costs – Service Provider covers maintenance, customer service, etc. WW would have to pay pole licenses, insurance and bonds, plus break/fix including reserve fund for insurance deductibles. The $99 activation fee would basically go to build up reserves. When WW has excess revenue, the BoD will decide what to do: e.g. keep for reserve, distribute for towns, lower rates. Jim Drawe does not see a need for hired administrator – we can use HCOG accounting services at $250/quarter. Town should set up 2 accounts – savings account for depreciation reserve, MLP checking account for receiving any excess – can be used for depreciation reserve, debt service, or transfer to towns general fund. Ch 164 – duties of MLP manager: provide end of year statement and budget for next year. WW can put them together for the MLP manager of each town.

Steve Nelson – in the slides, we passed over construction. New announcement by MBI that towns will do the construction. Towns may need help with construction process.

Report on Procurement Workshop sponsored by MBI

Would not allow recording -Marilyn protested. Inspector General presenter thought discussion was based on towns, not MLPs, and directed at services, not construction. Attorney General representative is the hearing officer. She stated that MLP-MLP transactions are exempt from 30B. Long discussion about exemption from 30B, response was that only applies for electric, gas – but other section says 164 applies to all types of MLPs.

MBI Update

Charley asked for towns to report on meetings with MBI.

Doug McNally – governor would not move forward before Private Partnerss were heard from, that has now happened.

Charley & Jim Drawe talked to Peter Larkin in Worthington, summarized WW plans. MBI Feb 16 meeting will be in Worthington – 1 to 5pm. We should hear from MBI soon.

Deb B – Bill Ennen said they should put WW info into readiness document. Towns should complete the sustainability worksheet and get the green light; it will be needed no matter what solution they choose,

Bob Labrie –Goshen talked to Crocker, the coverage requirement suggests that people who sign up to make that 50% quota might not be among the original 70% coverage. At $3k/subscriber, it is the same amount of money that towns need to borrow to own their network.

**Reports from Committees**

Executive Committee is meeting with Aaron Bean of WG&E – we are developing questions to ask and will meet with OTT also. Jim Drawe – we based our fees on written quotes from our potential partners.

Finance – worked with MBI reconciling grants – we have about $12,000 available. He asked for extension through Jun 30, waiting for answer.

Outreach – Bob & Tim talked to Jim Levulis of WAMC – last Monday, bigger interview online. Tim talked to WFCR, not sure what was aired. Bob & Tim to be on WGBY. Doug McNally – Berkshire Eagle doing a lot of publicity – we are closely in touch with them. Berkshire Edge is following also. Outreach will send out links to the media articles. Monday night – New Marlborough SelectBoard invited Tim to talk at their meeting. 4 towns discussing a “mini-network” have issued an RFP. New Marlborough had shown no interest, this is first time they invited Tim as the WW rep. Town of Monterey also issued an RFP on its own.

Working on an update for our customers.

Legal -Jim has circulated all responses from our counselors on MLP law. Attorney General’s office disputed our interpretation – he is escalating.

**Other Director Input**

Middlefield has asked for Jim Drawe to do a presentation for the town. Middlefield wireless project has zoning issues. SelectBoard reluctant to move forward before completing readiness requirements and receive additional funds reserved for them. Need town meeting approval for the project. Charley Rose – town just authorizes the borrowing, not how the money is spent.

Russ Jolly – presentation in Charlemont from a wireless company, currently in coastal VA & western MD – mountainous. They have 30% take rate with 900Mhz in mountain area, claim that newer technology might improve coverage. Did not seem like they would fully cover towns.

Bob Handsaker –there is a need for infrastructure in place when first town is connected. Jim Drawe – EC will take this up. We can’t really know what’s needed until D/E, but will work on this and ask potential vendors. Town MLPs should also look at what their costs will be based on the MLP document. Kathy Soule-Regine – we should ask our potential vendors how they will be able to respond to problems in a timely manner. Jim Drawe – both talked about acquiring additional trucks – he would like response within 2 hours. Jeremy – we will impose a requirement (2 hour response), rather than a solution.

**Confirm and Schedule next BoD meetings**

Saturday, February 25th, 9:30 am in Cummington

Saturday, March 18 – Tentatively in Blandford

– snow date for both the following Wednesday at HCOG in Northampton

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

**Adjourn** 12:32pm