

Plainfield Broadband Committee
Meeting Minutes October 10, 2016

Committee Members Present: Brian Hawthorne, Kimberly Longey, Lew Robbins, Michal Lumsden, Leslie Rule, Howard Bronstein

Brian called the meeting to order at 7:05 p.m. at Town Hall.

Kimberly made a motion to approve the minutes from the September 12 meeting and Sept 26 as amended; Lew seconded. The motion passed unanimously.

MBI Readiness Process

Kimberly said she spoke with Cornell Robinson from MBI last week and asked about pole bonding/licensing quandary. Cornell said MBI has agreed that towns can move through the surveying process without bond agreements but do need financing agreements. It should cost \$3,000 a year for insurance, given the number of poles we have. Leslie asked if that is \$3,000 for each utility (which would mean \$6,000 annually total). She added that Ashfield went with PURMA instead of MIIA for insurance.

Once the readiness process is complete and we have the greenlight from the Department of Local Services), Cornell will make a recommendation on our behalf to Peter Larkin, who will then issue a letter from MBI allowing Plainfield to officially move forward. Then we notify MBI that we want their professional services, which triggers the pole survey work. That triggers an MOU; Kimberly said we should make sure that the MOU spells out certain rights for Plainfield, including that the town (not MBI) would retain control of the pole survey data.

Under current rules, when MBI files the make-ready papers for a town, MBI requires 30% of town-approved funds up front. Brian said as a town, we legally cannot pay vendors until services are delivered. Leslie said MLPs aren't bound by those same rules, but added that the other towns ahead of us in this process are pushing back on this rule, so it may be different by the time it's our turn.

Ashfield, Rowe, and Washington are the only three towns that have gotten their readiness approval and are ready to start pole surveys. Leslie said the actual pole survey process is fairly quick; Ashfield estimates their survey will be done within two weeks.

Kimberly said we need to amend Lew's worksheet and look at the MOU language that other towns are working on. Kimberly will check in with Allan Kidston about this.

Finance Committee

Lew said there was a motion in the last finance committee meeting that capital costs plus interest would be assigned to taxpayers (includes depreciation) and the rest would be assigned

to subscribers. Currently, that works out to a 57-43 (taxpayer-subscriber) balance. The finance committee passed the motion unanimously.

Lew said under this arrangement, the town will own the physical property related to the network, adding that all town residents will benefit from the service (largely through higher property values) even if they don't actually subscribe for the internet service.

There are two options for how to calculate the amount each taxpayer would owe:

1. Capital costs split evenly among all taxpayers: with current figures, this comes to \$24.06/monthly (betterment option)
2. Taxpayers pay their portion based on their property value: with current figures, this comes to \$9.81/month per \$100,000 of their property's assessed value (tax levy option)

Kimberly said in theory the second option is progressive and fair. But she added that many town residents are asset rich and cash poor, possibly making option 2 more difficult for those people. Brian pointed out that if we go with option 1, EverSource only pays \$24.06, just like every other taxpayer, but option 2 means EverSource pays a lot more, because they own so much property in town.

Lew said he's a little concerned about the take rate. He would like to know what people have today and would like to get data from town residents about how much they would be willing to pay for phone/internet.

Kimberly moved that the Broadband Committee conduct a survey to capture both what current prices are and what the price elasticity is for Plainfield residents — and that we use the MBI planning grant from 2015, which we assigned to WiredWest, to pay for the survey. Lew seconded the motion. Passed unanimously. Lew and Leslie will work together on this and will come back to the committee within one month with draft language. In the meantime, the committee will conduct an informal survey of what each of us (and a few other engaged town residents) are paying for internet/phone and what we get for that. Brian will put together an online survey so that we can at least have some preliminary figures to base our other projections on.

Lew said Paula said there's no money in the 2017 town budget to pay the bond counsel, which has been charging towns \$1,500 for the required green-light letter. Kimberly will follow up with Allen K. to talk with town staff about using \$1,500 from the town contingency funds; that way we wouldn't need a special town meeting to allocate the necessary money. Lew said he would not want to spend the town's money if it would be wasted if we end up not going all the way with MBI. Leslie said the letter from the bond counsel will be required no matter which way we get internet, so it won't be wasted.

Kimberly made a two-part motion; Lew seconded; passed unanimously:

1. The Broadband Committee recommends to the Selectboard to accept the Finance Committee's resolution for a split between taxpayers and subscribers, with taxpayers covering capital--which includes depreciation and interest--and subscribers covering all other costs. The split is estimated to be approximately 55%-45%.
2. The Broadband Committee recommends that the Selectboard move forward with the green light letter from bond counsel, to be paid from contingency funds if possible, and that we submit the final readiness package to MBI.

Committee Membership

The committee thanked Howard for his service. Kimberly asked if we should put an article in the Post seeking a new committee member; the article should highlight the committee's charter and stress that technical expertise is not necessary. Michal will write a short article for the next Post.

Updated Last Mile Policy

Leslie reported back that MBI has changed its policy and towns no longer have to own their own networks. This paves the way for private companies to come in.

Rowe is recommending that every town put into its MOU with MBI that the pole survey data belongs to the town, not to MBI, so we can still use that information no matter who we work with.

Leslie volunteered Plainfield to host the next WiredWest meeting: Saturday, Oct. 22 at 9:30 in Town Hall. Kimberly will host in Leslie's absence.

Axia workshop: Thursday at Berkshire East. Leslie and Howard are going.
Fiber in the home workshop: Thursday night: Lew and Leslie are going.

New Business

The next Broadband Committee meeting will be Monday, October 24, at 7 p.m.

Kimberly made a motion to adjourn; Leslie seconded. The motion was passed unanimously. The meeting adjourned at 8:18 p.m.

Minutes above as approved at the October 24, 2016 meeting.