



To: Select board
From: Broadband committee chair
Date: 14 February 2017
Re: Recommendations on path to broadband

In May and July, 2011, the town voted to establish and acquire a municipal light plant. In May, 2015, in light of promised funding of \$650,000 from the Commonwealth overseen by the Mass Broadband Initiative, the town voted to appropriate the sum of \$1,130,000 and to authorize the borrowing of up to that amount for the town's portion of the costs to build a broadband network under the auspices of the town's municipal light plant. Subsequent to the town meeting vote, MBI began distancing itself from its partnership with Wired West, fundamentally changed its last mile policy from a regional approach to an independent town approach in July 2015, and withdrew entirely from the previously agreed upon regional plan in December 2015.

On 24 May 2016, the select board established the broadband committee and tasked us with advising and working closely with the select board and municipal light plant (officially known in town as the Plainfield light and telecommunications department) to make recommendations, establish the priority of enabling broadband to all Plainfield residents, and to gather information from prospective providers (see Plainfield Broadband Committee Mission at <https://goo.gl/M6YPhf>).

Since that time, the broadband committee has been working on many parallel tracks to identify possible paths to provide broadband service to town residents. As you know, we have recently completed MBI's required "Readiness Process," which provided assurance from outside bond counsel and the Massachusetts Department of Revenue Division of Local services that our plan to build and operate a town-owned, broadband network is, in theory, feasible and sustainable over time. The construction of our network was envisioned to be done with MBI's financial and technical support throughout the network design, engineering, and construction phases of the project. MBI would not have provided network operations or internet services, we will have to procure those services separately on our own or in a regional approach with one or more towns.

We have also been closely monitoring MBI's effort to attract private companies to help solve the digital divide in our town and across Western Mass. A three-month RFP process yielded 6 respondents of which only 2 expressed any interest at all in building a network in Plainfield.

At the same time, MBI has informed us that their approach to partnering with Plainfield has changed substantially from the July 2015 plan, and is also changing from information we received in May 2016 and throughout this past summer and fall. At this point, we believe that MBI is backing off on its proposals to provide any town with full project management support throughout the construction process. MBI policy and program guidelines have been a constant state of flux since January 2016. This poses extreme challenges for Plainfield's planning, risk

analysis, and decision making processes. Nevertheless, our broadband committee is persisting with our best efforts to evaluate all options and make sound recommendations that will serve Plainfield's near and long term needs.

On 13 February 2017, the broadband committee voted unanimously to make the following recommendations to the selectboard.

Recommendations for Plainfield to work with WG&E to design and build broadband network:

1. As specified in the May 2015 vote, we reconfirm that the broadband project should be under the auspices of the town's established municipal light plant, AKA the Plainfield light and telecommunications department. Any expenditures of funds, intergovernmental agreements, or procurements of goods and services on this project should be handled by the MLP, under the direction of the manager of municipal lighting who reports to the select board.
2. While we remain firmly convinced of the eventual benefits of having the Plainfield broadband network be part of an interconnected regional broadband network, given the limitations placed on us by MBI, we recommend moving forward immediately with a single-town network build, under the assumption that the network will be at all times designed and constructed to enable future regional interconnection and regional operations. Should the opportunity arise for Plainfield to join a multi-town or larger regional effort during the design or construction phases of the project, we recommend pursuing that regional solution insofar as it does not further delay bringing broadband to Plainfield's residents.
3. In keeping with the select board-established goals in our mission of "maintaining as much fealty as possible to core values of local control, affordable, ubiquitous, and financially self-supporting," we recommend that public funds, whether from the state telecommunications bond fund, town borrowing, or town taxation, only be used for construction of a publicly-owned broadband network. We cannot recommend using public funds to subsidize the creation of an asset that will not be controlled by our town.
4. The broadband committee has identified Westfield Gas & Electric/Whip City Fiber as the only respondent to MBI's "Private Partnership RFP" that is both relevant to Plainfield and consistent with these goals. WG&E is a municipal light plant that has been providing gas and electric services to its subscribers/ratepayers in Westfield for a century, and is currently operating a fiber-to-the home network within Westfield and is seeking to expand its operations inside and outside of Westfield. WG&E has outlined a clear menu of professional services, with pricing, to help build a broadband network that would be owned by Plainfield.
5. We recommend that the select board direct the manager of municipal lighting to immediately request a formal proposal from WG&E for professional services for the design and engineering portion of the project (est. cost \$94,000) and to include in that proposal estimates of the likely pole application fees and make-ready costs required to

be paid to pole owners (Eversource and Verizon) as part of the pre-construction phase of the network build.

6. We recommend that the select board direct the manager of municipal lighting to immediately request an initial estimate from WG&E for additional professional services (est. cost \$110,000), including construction contractor bidding, materials bidding and procurement, and project management of the construction portion of the project.
7. We recommend that upon receipt of adequate funds from the state bond fund allocation (see below regarding the allocations to Plainfield from the state's Broadband Incentive Fund) the select board direct the manager of municipal lighting to enter into an inter-governmental agreement between the Plainfield MLP and the WG&E MLP for professional services relative to design and engineering. This agreement should prioritize identifying projected construction cost of the network as soon as possible.
8. We recommend that upon completion of the design and engineering phase, and upon receipt of adequate funds from the state bond fund allocation, the select board direct the manager of municipal lighting to enter into one or more intergovernmental agreements between the Plainfield MLP and the WG&E MLP for professional services relative to network construction.
9. We recommend that the select board ensure that the light and telecommunications department has the capacity for someone to serve as the "owner's project manager" or "clerk of the works" to oversee the design & engineering and construction phases of this project, representing Plainfield's interests throughout the project. Additional research needs to be completed to ensure proper authority, accountability, execution, and adherence to state laws. Upon receipt of adequate funds from the state bond fund allocation, we recommend that the selectboard establish appropriate compensation for the extensive part-time work that will be required for this project oversight.
10. We recommend that the select board direct the manager of municipal lighting upon completion of construction to outsource operations and maintenance of the broadband network to the most appropriate vendor at that time.

Recommendations regarding state Broadband Incentive Fund allocation:

In August 2014, then-governor Patrick signed a telecommunications bond bill adding \$50 million to the Broadband Incentive Fund to develop "last-mile" solutions that bring broadband connectivity to more homes and businesses in western and central Massachusetts communities. On 19 March 2015 Joe Markarian of MBI confirmed to a meeting of the Plainfield Finance Committee that MBI had allocated \$650,000 of these funds as grants for last-mile broadband buildout in Plainfield. On 30 July 30 2015, MBI determined that \$350,000 would be available as a grant for construction, and \$300,000 would be available for MBI to expend on professional services on the town's behalf. MBI's inability to secure cost-effective professional services for Plainfield over the past two years makes this apportionment of funds into construction allocation and professional services allocation no longer appropriate.

As Plainfield has identified a vendor (WG&E) which has indicated it is willing and able to provide Plainfield with all necessary professional services, from design and engineering through bid support and construction project management, we recommend that the selectboard and manager of municipal lighting jointly submit a formal request to MBI to provide the town light and telecommunications department with a grant for \$650,000, the full amount of the broadband incentive fund that MBI indicated to the town in March 2015 had been allocated for Plainfield. This grant would enable Plainfield to move forward with professional services for design and engineering, begin conducting pole surveys, submitting pole applications, and paying pole owners (Eversource and Verizon) for “make-ready” construction tasks during the design and engineering phase.

Status of Broadband Committee

The broadband committee stands ready to continue to serve for the immediate future in the role of providing recommendations to the selectboard, to provide near-term and ongoing support for this critical infrastructure project, and to make itself available as a resource to provide informational sessions and handouts to townspeople regarding the evolving process, relevant choice points, and eventual cost to taxpayers and subscribers under different scenarios.