

Burlington Telecom Advisory Board

DRAFT

September 9, 2015

Regular Meeting

Members: David Provost, Joan Shannon, Karen Paul, Jane Knodell, Theresa Alberghini, Clem Nilan

Member's Absent: Tim Halvorson

Others Present: Stephen Barraclough, Jeremy Patrie, Nick Martin, Dawn Monahan, Stacey Trudo,

Public Members: Alan Matson, Andy Montroll, Dave Mount, Lauren-Glenn Davitian, & Dave Hartnett

Meeting commenced at 5:36 p.m.

1. Agenda

MOTION to approve the agenda made by *Paul*, seconded by *Shannon*. *Unanimous*.

2. Approval of Minutes from August 12, 2015 BTAB meeting

MOTION to approve the minutes from the August 12, 2015 Burlington Telecom Advisory Board ("BTAB") meeting, made by *Shannon* seconded by *Alberghini*. *Unanimous*.

3. Public Forum

Matson: Board member of Keep BT Local which was formed 2 ½ yrs ago to find a cooperative solution to provide an ongoing local ownership of Burlington Telecom. Currently, there are 250 paid in members with another 250 who have committed to joining the cooperative that would work to put itself in a position to acquire BT. In the world of utilities, it is important to note that utility co-ops have subscribers as their members. Any plan that Keep BT Local develops to become the owner of BT would eventually roll the existing subscriber base into the cooperative ownership base, creating an ownership base of over 5,000 members. Keep BT Local has been working with Casco Bay Advisors to develop an operating plan and a financing plan. Board members for Keep BT Local consist of Alan Matson, David Mount, Andy Montroll, Loreda Sola, Megan Epler Wood, and Alan Wagener. It is a core goal of Keep BT Local for the City and residents to be able to generate a return on investment that has been made by tax payers. An open process with regard to the criteria for sale and selection of an eventual buyer can only benefit the proposal brought to the table.

4. BT management update

Barraclough: Terry Dorman, unable to attend this evening, but has stated that he will be available for discussion for the next meeting. In July 2014 BT added a net 4 subscribers and in a net 96 subscribers in August for a total of 100 for the first two months of FY2014. This year, a

net 23 subscribers were added in July and 178 subscribers in August for a net increase of 201. There have been an additional 472 subscribers added in the last four months. Total subscribers at the end of August exceeded five and a half thousand and residential subscribers passed 5,000 for the first time, ending the month at 5,105.

Shannon: Are you currently charging for installation?

Trudo: We do, based on packages, unless it is over a certain price criteria. Students are offered a different price than residential.

5. FY16 budgeted capital expenditure for approval

Barraclough: Budgeted capital expenditures with regard to video equipment that were discussed in Executive Session last month need approval from BTAB to proceed. They have already been reviewed and approved by both Merchants and Bluewater separately. Written permission has been received from both of those parties.

Motion to approve the capital expenditure plan presented to the BTAB at the August 12 meeting made by *Knodell*, seconded by *Nilan*. *Unanimous*.

Shannon: Is there anything expected to bring to the BOF over the next month that needs to be addressed by BTAB first?

Barraclough: Yes, a personnel issue that needs to be discussed in executive session.

Paul: Before anything goes to the BOF or City Council, it is requested as an added assurance that the BTAB discusses beforehand.

Barraclough: Yes. We plan to follow the new operational guidelines for BT, but may from time to time take something directly to the BOF if the timing is urgent as the BOF meets only monthly.

Alberghini: If timing of the meetings becomes an issue, can the board still be informed?

Paul: We are able to be informed as long as we limit emails to a communication and not an exchange.

Barraclough: Circulated the operating guidelines of Burlington Telecom.

Provost: An agenda item for next meeting is to put together a high level overview of the guidelines to be discussed in the public forum.

6. Determination of criteria for sale of BT

Provost: Meeting has been set for October 29, 2015 for a public process where Bill Wallace, from US Ignite, and representatives from Chattanooga and Kansas City to lead a public discussion intended to inform the public about the benefits of a city wide fiber optic network in an emerging Tech economy. Bill Wallace will discuss the mission and the purpose of US Ignite and why they see Burlington's membership as a good fit with that organization. Chattanooga and Kansas City, having similar resources, will discuss how they have organized within their communities to take advantage of their fiber optic infrastructures. They will be happy to answer questions from the public, but the purpose of the meeting will be to inform the public of the

potential benefits of Burlington's fiber optic infrastructure. They will not want to be involved in any debate or discussion concerning criteria for the sale of BT or local vs. non local ownership. Then at the BTAB's November meeting the public would be invited to give their input and solicit comments for establishing the criteria for the sale of Burlington Telecom. The plan is to hold two public meetings at two separate times. Then the following BTAB meeting in December, the board members will come together to have a recommendation available for City Council approval by January 2016.

Barraclough: The location and time for the October 29th meeting is still to be determined. A number of announcements regarding BTV Ignite will be coming in the next couple of weeks. The time and location be circulated by BTV Ignite.

Provost: At the next BTAB meeting, scheduled for October 21st, Terry Dorman will frame and discuss the current terms that are established in the Bluewater agreement that will be the starting criteria for finding a purchaser.

Paul: As a committee charged with a responsibility to the public, there is concern with the amount of time that the public will have to formally weigh in on this process, which looks like in November there will be two meetings held. Will an online opportunity be available to submit comments? And will the meetings be held on the same day? We could hold the meetings on the same day or on separate days but having the meeting during the daytime hours and one in the evening was successful for the downtown mall redevelopment in seeking community input. For a fairly focused discussion of the future of BT is a month enough time? That is part of the reason the Keep BT Local members were invited to come tonight and give their input. Is there a reason we need to go to the City Council in January?

Provost: The clock has started ticking when the agreement was signed with Citibank and in January it will be a year.

Knodell: Invites responses from the public tonight. In January or February, after the draft criteria are established, should we invite public comment on our draft criteria before it goes to the Council? It is important for everyone to understand that criteria and what happens after that? The need is to be as transparent as possible, what Terry Dorman's role is, the role that BTAB is playing, and those making the proposals.

Shannon: Is Burlington Telecom's staff going to present a starting point?

Provost: The sale agreement and Citibank settlement would be the starting point along with the economics. But it should come from this group not BT staff.

Shannon: It would be good to have a base line, a framework to start the discussion from.

Provost: We would be setting the criteria or baseline.

Knodell: That is what we are doing at the October 21st BTAB meeting.

Shannon: We should start with the non-negotiable items.

Provost: The Burlington Telecom staff is not setting the criteria. A conversation with Terry Dorman will be forthcoming to come up with that non-negotiable list.

Knodell: The entire BTAB should read the settlement agreement and the Bluewater lease agreement to be deeply familiar with.

Barraclough: Will circulate those agreements after this meeting.

Provost: Is there any public input tonight?

Montroll: This process would help. Public input in this process is appreciated.

Paul: Do you think it is a sufficient amount of time?

Montroll: For the people within our group it is sufficient as we can contact members via email.

Nilan: It is valuable to send out information with ability for input like a survey, bill inserts, or online.

Provost: With Burlington Telecom being the asset and the BTAB has been charged with setting the criteria and there is concern with Burlington Telecom resources if BT staff become involved. The staff has a job to do in operating the business.

Knodell: Will approach the Mayor's office.

Matson: While it's great for public input, remember that competitive bids like the supermarket downtown; they were a fairly open process, I would envisage a similar position with this. This is an asset of the City that the City is trying to find the best solution with an outside party coming in.

Montroll: Highly involved in that process, the City wanted to bring in a supermarket downtown. City put out an RFP. There were five proposals came in with three being viable. All three were brought in and went through a robust process.

Barracough: The first public meeting will be at the regularly scheduled BTAB meeting: November 11th at 5:30p.m. in Contois, and the second on November 18th at 12:00p.m.

Paul: For the event on October 29th, will it be held during the day?

Barracough: The times are still to be determined.

Provost: To recap, Provost will work with Dorman, to create an overview of the non-negotiable items for the October 21st meeting. Barracough will notify this group of the time for the October 29th meeting. And Knodell will contact the Mayor's office for an online tool for comments and other resources for collecting this information.

7. Executive Session

MOVE by *Knodell*; whereas discussing personnel matters in public would expose BT to a liability and that is grounds for moving to executive session, seconded by *Paul*. *Unanimous*.

MOTION by *Knodell*; to go into executive session based on the finding, seconded by *Alberghini*. *Unanimous*.

MOTION by *Knodell*; to approve the proposed position as reclassification and authorize the General Manager of BT to work with the HR Director, Board of Finance and City Council, seconded by *Shannon*. *Unanimous*.

MOTION to adjourn made by *Provost*, seconded by *Shannon* at 6:49 p.m. *Unanimous*.