

Special Public Meeting- 24April18

Central Vermont Internet (CVI) Service District

Meeting Minutes – prepared by G. Schwartz
Status: Final

Meeting Date: April 25, 2018

Start Time: 6:30 pm **Adjourn:** 7:10 pm

Meeting Attendees: Caroline DeVore – ESB Chairman, Robb Wills – ESB, Glenn Schwartz – ESB, Frances McCune – Resident, Kent Shaw – Resident, Cheryl Schwartz – Resident, Robert Burley – Resident, VCI initial contact & consultant

The meeting began with Bob Burley handing out an information sheet regarding the Central Vermont Internet (CVI) District (copy attached).

Opening discussion covered advantages of fiber vs. current copper DSL which focused on significantly higher symmetric speeds, higher reliability and lower lifetime operating costs.

Speculative Discussion occurred regarding possible routing of the lines. Routing will be determined by VCI. Two possible routes are under consideration: 1) Route 12, from Montpelier to Worcester to Elmore and 2) Montpelier to Waterbury to Stowe to Morrisville to Elmore, following existing infrastructures. VCI will evaluate and determine cost/benefit, time to market and total cost of ownership feasibility.

A question was asked if the price of \$75.00 would be too much for the average Elmore resident. The answer proved by Mr. Burley was as follows;

- Subscribers continue to choose their appropriate level of service and provider
- Current sustainable operations occur with 6 subscribers per mile.
- Pricing has not been set but will necessarily reflect competitive services.
- Current rates in Eastern Central Vermont are similar to existing internet services.
- The price for fiber service would include local, long distance and possibly Canadian phone service
- Available Fiber speeds are 5-100 X currently available DSL and far more reliable.

A question was asked if Comcast is currently available in Morrisville and whether that service could be run to Elmore. The response by Mr. Burley was:

- Current providers: Comcast, Fairpoint/Consolidated Communications are cash and manpower strapped, have old equipment that is inadequate to current demand and are unlikely to find necessary capital for profitable expansion to Elmore.

Deployment and implementation will be determined by VCI. Current estimate is Elmore build out will be most likely hub and spoke configuration from village center to remote areas. Best current estimate of FCD (First Customer Deployment) into Washington County is 2020 with initial extension to Lamoile County in 2021.

By Vermont statute each participating town has VCI Service District board representative.

CENTRAL VERMONT INTERNET (CVI) DISTRICT

ELMORE PUBLIC MEETING – 24APRIL18

ISSUE: Central Vermont is significantly underserved by existing Internet Services. Current providers have fallen far short due to a combination of outdated equipment, low housing densities and cash shortages. Internet access mirrors rural electrification which confronted the United States (1930's - 1960's) and addressed by the government subsidized REA, Rural Electrification Agency. While current governments cite the importance of internet access they fail to similarly fund it. The multi-community district approach, proven in east central Vermont, offers an excellent remedy.

SUMMARY: The CVI initiative (replicating successes East Central VT) is forming to provide state of the art **fiber optic** (not slower copper DSL), **subscriber based and funded**, scalable internet services to towns, businesses and residences in Washington, Orange and Lamoille Counties with **no increase in property taxes**. To date 13 towns have joined this initiative (6March18 Town Meetings). Largely as a result of Elmore proposal to join, other Lamoille County towns have quickly indicated interest.

STRUCTURE: Vermont Law (VSA30, Ch 82) permits the creation of NON PROFIT "Service Delivery Districts" which are not limited to town boundaries. Examples include Water Districts, Sewer Districts, Fire Districts, etc. Initially, CVI proposes a district spanning requesting towns in Washington and Lamoille Counties. Each town will appoint a member to the CVI Board of Directors who shall oversee the formation, operation and administration of the district, independent of towns. All technical, administrative and financial operations are the responsibility of the district. Capital funding is likely to be a combination of Revenue Bonds (state and federal tax exempt) plus business and individual investors. Operations funding is from subscriber services.

SCHEDULE:

- Proof of Concept: EC Fiber is a similar district in southern Vermont serving 24 towns. Financial feasibility is demonstrated by 6 subscribers per mile.
- Formation: Initial CVI meeting, by statute will occur on 8MAY18. Names of Town BOD members must be submitted before 30APR18.
- Initial Work focus on By-Laws, Rules, Financing & Engineering - 2019.
- Infrastructure: Phased build-out will likely begin in 2020.
- First Service Delivery: 2020. Elmore projected to be 2021.

SERVICES: Partial list: Services are FTTP (fiber to premises - <200', no buried)

- Tiered, sustained internet **speeds from 17Mb/s to 700Mb/s.**
- Phone lines with unlimited local/long distance and multiple features
- Digital voicemail – voicemail to email
- Static IP Addresses
- Net Neutrality: Never block, throttle or sell users data

COSTS: Estimates based on current EC Fiber, CVI pricing may vary

- Estimated Range: From: 17Mb/s @ \$66/mo. TO: 700Mb/s @ \$149/mo.
- Estimated installation & activation charges similar to current providers