



Board Packet Executive Summary

November 28, 2022

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VCBB Data and Overbuild Policy

VCBB staff has been working closely with the CUDs to develop a policy on how to manage the changing data regarding broadband coverage and its impact to decision-making regarding grants. This policy addresses several concerns, including:

- Using the Public Service Department maps as a baseline,
- Known changes from the PSD maps
- Overbuild

This policy has been reviewed by the CUDs and reflects the combined sentiment of the CUDs and the VCBB staff. This policy supersedes the proposed VCBB Overbuild Policy. Staff recommends approval of this policy.

VCBB Board Communications policy

The Board requested that staff present a policy to the Board on how communications would be provided to the Board. This policy will focus on the formal channels of communications. Please note that the Weekly Update that is provided every Thursday is the vehicle that staff uses to keep the Board informed overall. The policy also addresses how the Board will be notified of press releases and ad hoc interviews.

NBRC Capacity Grant

The Northern Borders Regional Commission has been very supportive of the VCBB and the CUDs and has provided significant grant funding in the past. The VCBB has been working with the NBRC and the CUDs to propose a grant to help fund shared resources to assist the CUDs in building sustainable business models, grant management, communications, and coordination.

This is a proposal. The goal of this agenda item is to get feedback from the Board in terms of the direction Staff is proposing to take with assisting the CUDs in shared services. Negotiations will continue based on the feedback that staff receives from the Board.

FCC Broadband Map Challenge Process

The VCBB staff has been diligently working on the FCC and PSD Maps. This is a very important focus area as these maps are being used to determine the amount of funds the state receives from the Broadband Equity Access and Deployment (BEAD) program. The state will receive a \$100 million minimum with additional funding based on underserved addresses shown on the FCC maps. As of today, there are significant differences between the maps and reality.

This agenda item is intended to inform the Board of the FCC process for challenging the maps that were released late last week. Staff will present to the Board in January a proposal for a process that the VCBB and the CUDs will use to challenge the maps.

Added agenda item – Proposed agenda topics

The VCBB staff will recommend future Board agenda items. This will be an on-going agenda item that gives Board members the opportunity to identify future items that need to be included.

Vermont Community Broadband Board Meeting Monday, November 28th, 2022 12:00pm – 4:00pm

AGENDA

Meeting is being held virtually.

[Click here to join the meeting](#)

Join by Phone; [+1 802-828-7667,494812198#](tel:+18028287667494812198)

Note: there may be executive sessions as needed

- | | |
|-------|--|
| 12:00 | 1) Meeting Call to Order, Roll Call, & Approval of Agenda |
| 12:05 | 2) Approval of November 14 Meeting Minutes |
| 12:10 | 3) VCBB Data and Overbuild Policy – <i>Stan Macel – Presentation, Discussion, Comment, Potential Vote</i> |
| 1:40 | 4) VCBB Board Communications Policy – <i>Christine Hallquist and Herryn Herzog</i> |
| 2:55 | 5) NBRC Capacity Grant General Concept – <i>Proposal, Discussion, and Potential Vote – Rob Fish</i> |
| 2:40 | 6) Staff Updates <ul style="list-style-type: none">• New Staff Intro – <i>Tracy Collier and Christine Hallquist</i>• General Updates – <i>Christine Hallquist/Rob Fish</i>• Dashboard Review – <i>Alissa Matthews</i>• Press Coverage – <i>Herryn Herzog</i>• Upcoming Construction Grant Applications - <i>Lucy Rogers</i>• Grant Agreement Status and Monitoring Activities – <i>Kristin Brynga</i> |
| 3:00 | 7) VCUDA Update (including updates from any CUDs) - <i>Rob Vietzke, VCUDA</i> |
| 3:10 | 8) FCC Broadband Map Challenge Process – <i>Presentation and Discuss – Herryn Herzog</i> |
| 3:40 | 9) Public Comment |
| 3:50 | 10) Parking Lot |
| 3:55 | 11) Date and Proposed Agenda Topics (Policy: Updates to Business Plans to Reflect Changing Market Conditions) for Next Regular Meeting |
| 4:00 | 12) Motion to Adjourn |

Press inquiries; please contact Christine Hallquist, christine.hallquist@vermont.gov, 802-636-7853

Vermont Community Broadband Board Draft Meeting Minutes
Meetings are being held virtually.
November 14, 2022

I. Call To Order – 12:04pm

Roll call completed by Patty Richards

Patty Richards, Chair (Remote)
Laura Sibilia (Remote)
Brian Otley (Remote)
Holly Groschner (Remote)
Dan Nelson (Absent)
Christine Hallquist - Staff (Remote)
Robert Fish – Staff (Remote)
Alissa Matthews – Staff (Remote)
Stan Macel – Staff (Remote)
Adam Bornstein – Staff (Remote)
Herryn Herzog – Staff (Remote)
Lucy Rogers – Staff (Remote)
Kristin Brynga – PSD Staff (Remote)

Patty Richards made a motion to approve the agenda as posted, Brian Otley seconded, and the agenda was unanimously approved.

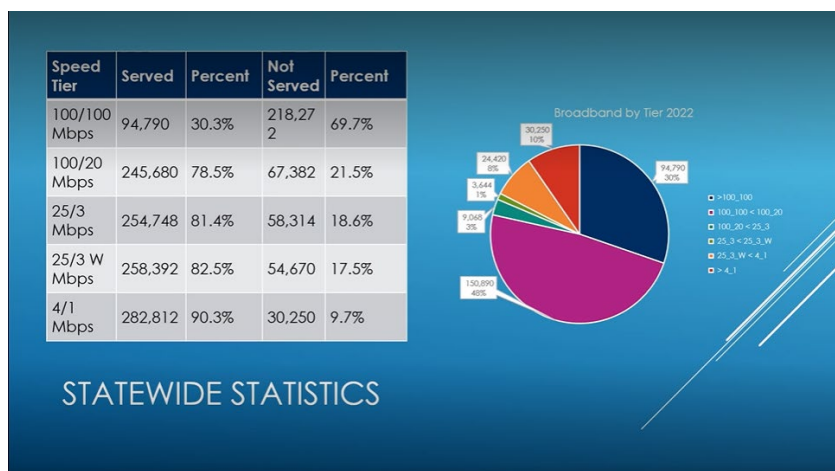
II. Approval of the October 31st and November 3rd Draft Minutes

The Board discussed the October 31, 2022 draft Board Meeting minutes. Patty Richards made a motion to approve the minutes with a request to revise grammar and copyedit before posting. Holly Groschner seconded, and the motion was unanimously approved.

The Board discussed the November 3, 2022 draft Board Organizational Meeting minutes. Patty Richards made a motion to approve the minutes. Brian Otley seconded, and the motion was unanimously approved.

III. 2022 PSD Broadband Availability Data Presentation

Clay Purvis and Corey Chase from the Department of Public Service (PSD) presented the new Broadband Availability Maps updated as of October 20, 2022. The data for the mapping is provided voluntarily from the broadband service providers annually. The data includes an analysis at each business and residential building location and is inclusive of cable television plant route maps. Some of the highlights of that presentation included:



- 30% of the state has fiber as of 12/31/21, the date from which the data was collected.
- Over 850,000 individual assertions of service at different speeds at different locations. Of that total, 313,062 are buildings based on E-911 site type. Multi-unit dwellings are included as one building.
- Data breakout includes addresses broken out by Communications Union District (CUD), including the newly-formed Chittenden CUD.
- Addresses covered by RDOF are not broken out separately in the current data.

Laura Sibilia asked the following questions:

- Do the underserved locations include any addresses that are projected to be served by any of the providers? What is the date of the data request?
 - Clay: Data collected for addresses denoted as served are considered fully serviceable, not anticipatory. There are however some locations that are now included as served that they know have come online during 2022 that would not have been captured in the 12/31/21 data request.
 - Corey: The data provided is the most current data that is available as of 10/20/22. All providers' data is current as of 12/31/21, but not all providers have updated data for the 2022 calendar year.
- On the data listed as 25/3 it was noted that it is largely now DSL. Has something changed with DSL making it available throughout the DSL territory at higher speeds? Is an affidavit required from the providers attesting to the accuracy of the data?
 - Corey: Some of the data is DSL and some is cable provider data.
 - Clay: The numbers have not changed significantly from the prior year. The DSL data is included in the appropriate level based on provided speed. A speed test was provided for DSL-served addresses by the providers. An affidavit is not required; however, compliance requirements are in the grant agreements. It is also important to note that the cable operators have a regulatory requirement to provide that information accurately, so affidavits would not necessarily be relevant for cable.

- How much double counting of the addresses do we have in here if any? For instance, if a wireless connection is reported, does it also include wired service for the same building?
 - Corey: The numbers included are the highest speed at that location. Slower speeds could be included but not faster ones.

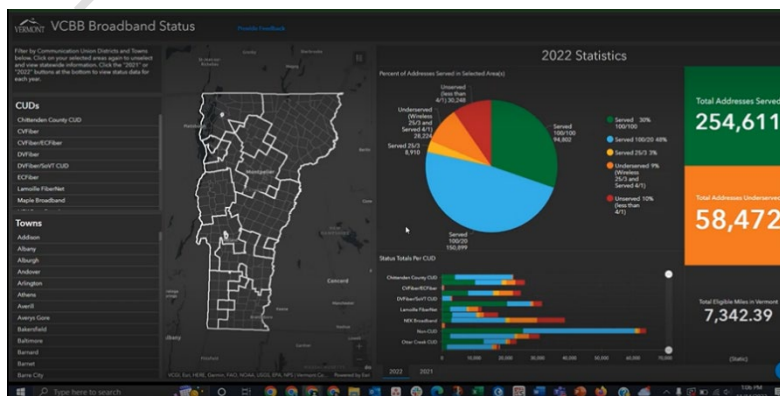
Holly Groschner asked the following questions:

- What carriers are operating that did not respond to the information request?
 - Clay: Not aware of any that did not respond but some did ask that the prior year data be used. However, many CUDs did not respond.
- The presentation would change based on whether wireless is included in the data presented. Was wireless included?
 - Corey: data is just based on speed tiers and not whether it is wired or wireless.
- When the carriers report served addresses to you, do they mean they are customers or addresses being passed?
 - Corey: They are always serviceable addresses. There is no reporting of take rates or penetration.

Christine Hallquist made the following comments:

- A multi-dwelling unit being counted as one address does not work for business plan purposes. She would encourage the board and the CUDs to take this into account with the business plans.
- There are also remaining questions that need to be answered as to what fiber is out there that doesn't have drops in place. If the answer is no, does that mean they are really connected? If the providers are self-reporting and there are no penalties for misreporting, then our data will not be as accurate.
- The PSD data is good baseline data. If we consider any new information at the grant application stage, we can use that to improve the accuracy of what has been presented.

Paige Gebhardt with Stone Environmental shared the updated VCBB Broadband Status dashboard based on the updated PSD data. This dashboard is still a work in progress based on that data, but preliminary data is as follows:



Patty Richards confirmed with the PSD and Stone Environmental that the population of underserved would be between 58,300 and 58,500. Clay confirmed that this is accurate, and the difference is between wireless and no wireless connection. Christine further confirmed that the CUDs are putting together plans to serve that number of addresses; however, there might be more due to multi-household dwellings.

Rob Vietzke pointed out two items of concern with the caveat that they are in the early stages of reviewing the data given that it was just released.

- In Northwest CUD they have physically been out to some of the addresses marked as served noting that there is no evidence that there is new cable on those poles.
- One of the CUDs noticed that they saw a 14% increase in the number of addresses listed as unserved in their district and a shift between unserved 4/1 and underserved 4/1 data.
 - Clay indicates that some of this is due to additional scrutiny being included in the past to make changes to DSL data through a nearest neighbor analysis. Changes were made to the data based on locations where reporting was not accurate based on neighboring locations; however, that analysis was not completed in the current year causing some of those fluctuations that were noted.
- What is the plan to manage this data in anticipation of the FCC challenge process that will be coming up in January?
 - Clay: There are two challenges. One is the fabric and the other is broadband affordability. A fabric challenge was done on October 31st. The process for challenging the fabric is a bit messy and unclear as to which maps are used and when it is due. Whether or not the PSD data can be used to challenge the FCC data in January is yet to be seen. We will know more once the FCC maps are available on November 18th.
 - Corey: Does an address exist in the FCC database is one of the challenge questions. This is a threshold question. The other challenge is whether a legitimate address is served or not served based on the FCC data.

F.X. Flinn, EC Fiber, noted that there are challenges to being able to accurately predict exactly when timelines will be met with utility construction, which makes providing accurate data as of a certain date difficult. He further noted that the CUDs have to address their business model and financing, rather than simply looking at addresses that need to be served.

Val Davis, Lamoille Fibernet, noted that there are substantial areas of the Lamoille CUD that are claimed to be served but are not actually served based on their own review of those physical locations. Additional clarification also needs to be provided on what served actually means to assist the CUDs in developing their business plans based on accurate and reasonable data.

Holly Groschner ended the comment period by indicating that there is a difference between the CUDs' business objectives and the VCBB's authority. Holly also indicated that she is opposed to re-opening grants and re-allocating ARPA funds based on the new data and would like to see a policy established explaining the process going forward. Patty and Laura agreed with this

perspective. Christine also reiterated that re-allocations based on the new data were not being proposed.

IV. Vermont Budget Process

Christine identified some key differences between the state's needs for the budgeting process and the VCBB's needs. The state operates on a cash basis and the VCBB needs to be on an accrual basis. The state also does not include one-time federal funds in its budget process, and the VCBB needs to include those funds to include a full financial picture. This has presented a challenge, but Christine and Will Anderson (SOV Finance and Management) have worked through this process and have developed methods to accommodate both the needs of the Administration and the Board.

Will Anderson presented the State's budgeting process. Important items noted included:

- The budget presented to the legislature only needs to include appropriations for the Universal Service Funds and BEAD funding until the legislature presumably grants a one-time appropriation for that program. ARPA funds are a one-time appropriation and thus not included in the budget that is presented. Other federal grants that might be received such as from the Northern Borders Regional Commission would be included.
- The legislature will be expecting the current year budget to be presented in addition to next year's budget because the VCBB is a new organization and the budget for the current year was not presented last year. The current year budget (fiscal 2023) will be presented as part of the budget adjustment. The fiscal 2024 budget will be presented as part of the governor's recommended budget.
- ARPA funding is not subject to annual state oversight within the budget process. The VCBB can spend that in accordance with federal guidelines. However, the state auditor's office has the authority to review compliance further.
- The funding that will be presented to the legislature will only comprise approximately 5% of the total VCBB budget.

V. Staff Updates

- General Update
 - Christine presented an update on the digital equity plan noting that the hiring of a Digital Equity Officer was still in process. In the interim a team inclusive of Christine, Alissa and Lucy has been assembled to begin work on the digital equity plan because it must be completed within 11 months.
- Outgoing Grant Request
 - Rob Fish noted that he had a discussion with the Northern Borders Regional Commission requesting additional flexibility for grant usage. The original grant was awarded for \$1.2M for a single public-private partnership. Based on these new

discussions, additional flexibility will be granted, and staff is in the process of determining how best to use those funds.

- A new CUD was created in Chittenden County as a result of the election last week. This does not change any of our allocations. It simply takes the allocations for those towns and aggregates them at the CUD level.
- Press Coverage
 - Herryn presented a summary of media coverage since the last board meeting.
 - A press release for the Chittenden County CUD formation was sent out and received a substantial amount of media coverage. Rob did an interview with VTDigger with a story expected out on November 15th. NBC5 did a story on Friday as well.
 - A Workforce Development press release was sent out with Christine doing an interview for the Rutland Herald.
 - Additional media coverage by VLCT was also posted to their website regarding the expanded town match program.
- Upcoming Construction Grant Applications
 - Lucy gave an update on the applications in process noting that Lamoille Fibernet had submitted a pre-application and has been invited to submit a full application for the construction grant program. A decision will need to be made by the board as to which data set they will need to be using prior to their application being completed and submitted. Christine, Holly, Laura, and Patty provided additional comment regarding the new data and its impact on the business plan for the CUDs going forward.
- Grant Agreement Status and Monitoring Activities
 - Kristin gave an update and noted the following:
 - There are two construction grant agreements in the drafting stage. One for Southern Vermont and the second for WCVT.
 - All monthly performance reports due 10/15/22 have been received from grantees and have been reviewed with no additional areas of concern noted. Monitoring of the investigation with ValleyNet is ongoing and there is nothing new to report.
 - Alissa and Kristin are working on creating standardized electronic reporting for the monthly reports. That is still in process and additional information will be provided when that process reaches its conclusion.
 - The compliance review and monitoring framework is still in the development phase and inter-department collaboration for best practices is in process.

VI. VCUDA Update

Rob Vietzke provided an update for VCUDA, starting with the presentation given to Joint Information Technology Committee (JITOC) November 3rd. The presentation included a summary of the overall status of statewide broadband deployment and an update on a selection of CUDs. A complete copy of the presentation is included in the publicly available board packet and provides a comprehensive summary of the information that was presented.

Patty inquired about the issue that was noted about potential funding gaps and whether or not the CUDs are planning for that. Rob Vietzke indicated that this is something they are just starting to think about. It is more of an awareness issue right now but they do not currently have any solutions.

VII. Policy and Goals Discussion

Christine lead a discussion on the timing of board packet release prior to a board meeting. She proposed that the board packet be provided to the board no less than five business days prior to the meeting date. Patty agreed with this process.

Patty listed two items for future discussion. One is the data set policy. This will be addressed in the meeting on November 28th. The second is to establish a mission statement which will be discussed in a future meeting yet to be determined.

Laura would like to discuss a high-level communications policy in a future meeting. This is to include when the board is notified of public notifications. She would also like to see a grants policy to govern what is submitted to the board and reviewed before it is officially executed.

Holly inquired as to whether the VCBB has a separate webpage from the PSD. Christine indicated that we do not currently. Holly indicated that we might want to consider having a separate webpage. Patty raised the concern as to whether we have enough staff to be able to do this and would like it to be included on a future agenda for policy discussion.

VIII. Public Comment

There were three public comments provided by:

- Ray Pelletier (CVFiber) provided comment on the funding gap. He noted that material pricing is going up, and they may not be in a position to buy ahead because of the funding gap which will then delay material requisition and slow construction.
- Aaron Calvin from Citizen Newspaper in Lamoille County asked how the Board is advising CUDs planning and starting construction in areas where there are already private providers working such as in Cambridge and Stowe. Patty Richards directed Aaron to follow up with Staff and the CUDs following the meeting.
- Irv Thomae (ECFiber) provided comments surrounding concerns related to under-build and the challenges posed with competitors moving into territories where they weren't initially. He also posed the question of when the PSD maps will be available to the CUDs for their territory, to which Christine indicated a target of January 1st.

IX. Parking Lot

Christine Hallquist reviewed the items in the parking lot, which include:

- VCBB's approach to mapping and strategy for challenging the FCC - tentative plan to present strategy at future meeting tentatively January. A Federal Program Officer at the NTIA will be needed to work on this with us and that has finally been announced as Clay Purvis from the Public Service Department.
- Define audit criteria and post award grant reporting and review process for grantees/CUDs. The team shared the memo on October 31st and will provide the framework being used for compliance review and share a grant agreement with the Board.
- Invite to the Federal Delegation to future Board Meeting. There is a tentative plan to attend a future meeting after the elections.
- Workshop for the CUDs on Uniform Guidance is scheduled for December 7th.
- Establish policy to address the issue of enforceability with any of the partners and the CUDs. The team will finalize the plan that addresses how the VCBB will know when problems are starting to occur, develop a corrective action plan, and then what happens if people default on that corrective action plan. VCBB will come back to the Board with that plan. Stan commented that grant terms are all the VCBB can enforce. Holly stated that is why she is interested in seeing the grant agreements.
- Finalize subsequent overbuild policy and will present the policy at a future meeting.
- Finalize data set policy and staff will present the policy at the November 28th meeting.
- Create a communication procedure plan and staff will present this at the November 28th meeting.
- Discussion of a separate webpage for the VCBB to be continued at a future meeting.
- Development of a mission statement. Patty will lead this task, and it will be presented at a future meeting.

X. Confirm Next Meeting & Motion to Adjourn

Patty Richards confirmed the next meeting will be November 28th and made a motion to adjourn. Laura Sibilia seconded, the motion was unanimously approved, and the meeting was adjourned at 3:03pm.

VCBB Draft of 11/23/2022

Vermont Community Broadband Board

Policies Regarding Mapping and Service Data and Overbuild

Policy Objectives:

- This policy specifies the data which the VCBB may consider in making decisions about grants to an eligible provider or Communications Union District (“CUD”).
- This policy also describes how the VCBB may evaluate changes to proposed eligible addresses to be funded by a grant .
- This policy recognizes the broader goals of Act 71 in establishing universal service and the VCBB’s role in supporting the long-term sustainability of grant funded projects.

SECTION 1: BACKGROUND

The Vermont legislature enacted Act 71 with the goal of achieving universal access to reliable, high-quality, affordable, fixed broadband.¹

Act 71 defines “served” as a location that has access to broadband service capable of speeds of at least 25 Mbps download and 3 Mbps upload.² Location is further defined as an E-911 business or residential address connected to the electric power grid.³

The Act established the Broadband Construction Grant Program to finance broadband projects of eligible providers that are part of a universal service plan-- that is, they plan to deliver universal service to every unserved and underserved address connected to electric utility service in their District.

DATA

The VCBB, and, by extension, CUDs and other eligible providers, need mapping data for two purposes:

1. To determine the set of addresses that must be included in a universal service plan, and;
2. To determine the set of addresses that are eligible for construction grant funding.

Identifying locations and the current services available to them begins with analysis of the most current Interactive Broadband Map data, which is maintained and updated by the Vermont Department of Public Service (“PSD”). It is available online at: <https://publicservice.vermont.gov/content/interactive->

¹ 30 V.S.A. § 8081.

² 30 V.S.A. § 8082(9).

³ 30 V.S.A. § 8082(7).

[broadband-map](#). The Department of Public Service updates this map data annually around mid-November using information voluntarily provided to it by internet service providers.

The PSD's data set is based on as-constructed data voluntarily reported from providers. These providers may have incentives to report data that is not yet complete, especially since the PSD updates its maps only once a year and there are no penalties for reporting incorrect data. Furthermore, E-911 addresses may be added (or subtracted) due to construction, expansion, or other physical changes.

In order to serve the two purposes listed above, the VCBB may be informed by additional data when considering construction grant applications. The Board must perform certain required analyses in connection with construction grant applications to meet the requirements of 30 VSA Sections 8086(f) and (g).

Act 71 8086(f) Three-Prong Test

Act 71 provides that the Board may provide a grant to an eligible provider to deliver broadband service in a currently served area subject to a three-prong test, as described in paragraph 8086(f). That analysis pre-supposes that the Board be informed about the reported current services at each address. While the PSD data set is a useful starting point for such analysis, the Board must be able to consider other facts.

Section 8086(f) notes that the Board may provide grants to currently served areas provided that they meet the following three requirements:

- (1) The proposed project is a **cost-effective method** for providing broadband service capable of at least 100/100 speeds to nearby unserved and underserved locations;
- (2) Any **overbuild is incidental** to the overall objectives of the universal service plan required for funding under the Construction Grant Program; and
- (3) Before awarding the grant, the Board makes a **reasonable effort to distinguish served and unserved/underserved locations within the area**, including recognition and consideration of known or probable service extensions or upgrades.

Prong One requires the Board to evaluate whether the proposal is a "cost-effective" method for reaching nearby unserved and underserved locations. In other words, the Board must determine whether the proposal to build in a served area is an effective use of grant funds to reach nearby areas that are not served, keeping in mind the goal of universal service and the need for a sustainable business plan. This analysis underscores the importance to the Board of having an accurate snapshot at the time that it considers a grant regarding locations that are actually served, unserved, and underserved.

Prong Two requires the Board to find that any overbuild is incidental to accomplishing the overall objectives of the universal service plan. "Incidental" is not further defined in the Act, but the Oxford Dictionary defines incidental as 1. accompanying but not a major part of something; or 2. liable to happen as a consequence of (an activity). Thus, the Board must find that the overbuild is not a major part of the objectives of the universal service plan, or that it is liable to happen as a consequence of the build.

Prong Three requires the Board to make a reasonable effort to distinguish served and unserved/underserved locations within the area. Act 71 does not further define the Board's responsibility in this area, nor does it provide authority for the VCBB to compel accurate data submission from providers. We interpret this provision to mean that the VCBB make a reasonable effort to recognize and consider known or probable service extensions or upgrades in its consideration of a grant, and to inform the applicant of any such known or probable extensions. The VCBB can "make a reasonable effort" by considering mapping data as described in the Data Policy section below.

8086(g) test

Act 71, in Section 8086(g), declares "It is the intent of the General Assembly that a broadband project financed under this Program demonstrates an economically sustainable business model that ultimately will be eligible for financing in the private or municipal bond market."

In the construction grant process, this intention is addressed via the requirement that the Board determine that each eligible applicant have an Act 71 Compliant Business Plan for the proposed Universal Service Plan before the award of a construction grant. The business plan shall include, but is not limited to: high-level engineering and design plans, market analysis, take-rate assumptions, and as relevant, cash flow positive date, loan payoff date, financing models, pro forma financial projections, estimated construction costs, ideal operational models, and an evaluation of risks including labor needs and availability, supply-chain contingencies for equipment and materials, make-ready work, and any other relevant capital and operational expenses. This requirement applies to all eligible applicants.

SECTION II: DATA POLICY

The VCBB shall adopt the following data policy:

- 1) It shall use as a starting point the most recently released as-constructed PSD data.
- 2) By policy, the VCBB focuses exclusively on wired connections. Any address in the PSD data where the only service that meets or exceeds 25/3 Mbps is wireless shall be:
 - a) a mandatory inclusion in a universal service plan and;
 - b) deemed an eligible address for the purposes of receiving construction grant funding and not subject to any overbuild restrictions.
- 3) When considering a grant application, the VCBB may consider factual as-built information provided by applicants or providers that corrects or supplements the PSD data.
- 4) The VCBB must make a reasonable effort to recognize the cost of reevaluating data, construction plans and business models each time new information becomes available.

SECTION III: OVERBUILD POLICY (For VCBB Construction Grant-Funded Activities)

The VCBB is committed to providing eligible applicants that commit to a universal service plan with every opportunity to be commercially and technically successful. This may include instances of competition with existing providers under certain parameters that comport with the factors of 30 VSA 8086(f).

Any overbuild must meet the 3-prong test:

1. Any overbuild must be a cost-effective method of reaching nearby un/underserved areas;
2. Any overbuild must be incidental to accomplishing the overall objectives of the universal service plan. Overall objectives include the business factors in providing universal service to the district, including a workable business plan, the necessity to reach all unserved and underserved addresses in the district that are connected to the electric grid, and the necessity to build a network with resiliency, redundancy, and excess capacity in the area; and
3. In analyzing overbuild, the Board must make a reasonable effort to distinguish served/underserved/unserved areas within a district, including analyzing the data from the PSD maps and any data presented by applicants, providers or those similarly situated that contradicts, augments, or otherwise conflicts with that data.

Inclusion of funding in a construction grant for such overbuilds shall be based on reasoned interpretation of the as-built data as described in Section II above. The VCBB shall document its findings of the situation at the time of the grant in the award documentation in accordance with 8086(f).

In order to meet the criteria above, the Board provides applicants with the following guidelines regarding incidental overbuild:

1. Point-to-Point Fiber that must run through served areas to serve unserved or underserved locations or is a cost-effective alternative is incidental to the objectives of the overall service plan.
 - a. Examples include mainline access, trunk routing, diverse trunk routing to create a fiber ring, network hub integration, and routes necessary enroute to or supporting delivery of service to unserved and underserved locations.
 - b. Addresses along these routes, or within reach of a splitter designed to serve unserved or underserved addresses, would also be incidental overbuild.
2. Grant applicants must be prepared to demonstrate why such overbuild is incidental to the overall universal service plan, which should include an analysis demonstrating how the overbuild is a cost-effective way to reach nearby unserved and/or underserved locations and/or an analysis of how the overbuild is incidental to the overall universal service plan.
3. A fiber line that does not serve any underserved addresses and has drops is considered overbuild (except as covered by point 1 above.).
4. the most cost-effective method to connect unserved or underserved areas is not overbuild.

5. In all cases of overbuild, incidental or otherwise, current, or subsequent, the CUDs must account for the potential presence of competition in their business and construction plans.
6. Nothing in these guidelines precludes a CUD from using funds from other sources outside of the construction grant program to equip and serve drops in any area in the CUD's district, CUDs will need to accurately track the use of funds from other sources to clearly delineate where grant funds vs. non-grant funds are spent in the district.

DRAFT

Vermont Community Broadband Board Communications Procedure Plan

Regular communication is crucial to maintaining a productive working relationship, fostering new ideas, and reaching the highest levels of success. The goal of this communications policy is to ensure everyone has the same understanding of practices used, knows what to expect, and can be confident they are receiving full information.

Weekly Updates

- The VCBB, as with all state entities, produces a weekly update for the Governor. Board members will also receive this comprehensive update by email once a week on Thursday, where staff details everything they have been working on during the past week. This is the most effective way to stay up-to-date on everything happening with staff between Board meetings.

Grants

- Staff will give an update at every Board meeting. Grant status will be detailed every week in the weekly update. When grants are to be considered by the Board, a link will be provided to the Board with all relevant information. Staff will also update the Board via the Weekly Report and Staff Updates of outgoing grant requests.

Press Releases

- Staff will provide Board members with all press releases when they are posted on our website and when they are sent to the media, government officials, and CUDs.

Media Coverage

- Staff will notify Board members of interviews conducted and expected upcoming media coverage, including the name of the media outlet, and the expected air/publish date.

Method of Communication

- General staff updates at Board meetings will be given by the Executive Director. Other members of staff will give an update on their area of expertise during the “Staff Updates” section of the meeting. They will also be available to answer Board member questions. Communication between Board meetings will be via email as allowed under Vermont’s Open Meeting Law

**Securing the Public Interest through Shared Expertise and Services (SPISES) Program
A Proposal to the Northern Borders Regional Commission
Vermont Community Broadband Board (VCBB) & Vermont Communications Union District
Association (VCUDA)**

Executive Summary:

As Vermont accelerates the build-out phase of its community-owned broadband infrastructure, there is a growing need for shared services across the Communications Union Districts (CUDs) for experienced experts who can guide implementation, transition to operations, compliance, and sustainability/growth. The VCBB and VCUDA are in discussions to determine in which organization the resources described below would be hosted. Some of the resource may “live” with VCUDA, while others are contracts entered into by the VCBB. Still others may be joint.

Our joint goal is two-fold:

- 1) *Finding Efficiencies Through Shared Resources*
- 2) *Increasing Accountability and provide greater support to respond to changes.*

Each CUD is selecting partners to fulfill their specific network and business operations work, but other shared needs are developing across districts for broader coordination, policy, systems, communications and accounting needs. The Vermont Communications Union District Association (VCUDA) is well-positioned to create capacity, coordinate with the CUDs and develop shared services across all CUDs. This shared services model would reduce business, compliance, and oversight risk; unify data approaches; potentially expand access to grant resources; and protect the public interests.

We are requesting a grant of \$2.5M. The items included in this summary document are estimated to be approximately \$2.1M over three years to support a blend of contractors and staff to develop and deliver shared services in support of all CUDs. By end of year three, CUD revenue would be an option for sustaining the developed resources. The remaining \$400k will be used for additional capacity on existing contracts within the VCBB.

This a draft. The goal of bringing this to the Board is allow VCBB staff to move to the next stage with NBRC and begin contracting.

Approach:

This grant would jumpstart recruitment of a core set of resources hosted by VCUDA to partner with the CUDs to fill immediate support needs and to complete a detailed needs analysis of broader shared services. The initial core resources could be in place for $\frac{3}{4}$ of 2023 in areas including program management, policy analysis, accounting, communications and make ready support.

Beginning in the second year of the grant and based on the collaborative needs analysis completed in year one, shared resourcing could expand shared services in additional areas. (Items like shared IT and grant expertise are modeled in the budget to be available beginning in year two, but could change as needs are defined.) The proposed budget also shows a pool of funds to support targeted resources during key periods, for instance surge resources in supporting of annual single-audits, or in response to specific IT system's needs.

SPISES Proposal Supplemental Information:

Our proposal includes expertise as follows. The VCBB and the VCUDA will decide of where each resource is based:

Starting in Year 1:

- **Highly Qualified Financial Expert** – An experienced CFO/CPA with both federal grant and telecommunications experience would support CUD accounting resources. Activities would include sharing best practices for long-term source of funds tracking for grant-funded assets, documenting financial policies and practices, preparing for annual single audits, and other high-level, industry-specific and grant-specific support for existing CUD accounting firms. With prior experience in NTIA and other federal programs, this expert could help the accounting teams at each CUD get ahead of future compliance demands typical of grant-funded broadband projects. This individual could also help establish policies and procedures for any shared accounting activity that may develop. The CUDs, VCUDA, and the VCBB will also work together to ensure this also serves as an early-warning system of potential problems and informs the work of the Creative Finance Team.
- **Expansion of VCUDA Program Coordinator Role** – The budget allows for expansion of the existing part-time program coordinator role.
- **Policy Analyst and Program Coordinator** – To support cross-CUD interests in understanding ongoing grant processes, regulations, rules and compliance activities including VCBB and competitive programs like BEAD, Digital Equity, RUS and ERATE, an individual with grants management and policy analysis skills would be a resource to CUDs. The available assistance would include expert requirements review and advice for any new programs that CUDs may be eligible for as well as best practices for grant compliance and management. This position would also supplement grant writing assistance and work with the Creative Finance Team to ensure all potentially opportunities for additional grant funding are seized.
- **Communications and Marketing Support** - A program manager focused on regular communications with stakeholder groups including member CUDs, public officials and the media would establish a strategic engagement campaign to succinctly share and promote the CUD value proposition, story and progress in Vermont. This may include

integration with the VCBB existing Communications and Outreach position from temporary to limited-service and be supplemented by additional contract support.

- **VCUDA Administrative Support** - A part-time program manager focused on meeting logistics, information sharing, and administrative tasks for VCUDA itself and support of the resources in this grant would amplify the capacity of team.
- **Make-Ready, FCC Challenge, and “As Built” Support and Coordination Expert** – This contract position would likely be a retired power or telephone field engineer or operations leader, who would be available to coordinate best practices in make-ready across the CUDs, including collecting and disseminating statistics on make ready costs, timelines, and costs across the CUDs. The expert could also verify infrastructure as part of the FCC and PSD challenge processes and perform the “as built” review of funded projects as they are completed.
- **GIS Support – expanding our GIS contract to provide additional support for the CUDs and data analysis as necessary.**

Year two and three – (Final allocation would result from the Needs Analysis and Recommendations created jointly with CUDs)

- **Grants Office Expert** – A part-time resource with experience in a grants management role at a major grant recipient or funding agency would be available to help create grant management best practices, compliance programs and related activities.
- **Shared Systems and IT** – CUDs will need several backend information systems to track specialized broadband inventory and enable self-service of customer services. The need extends from inventory needs for grant compliance to direct CUD-access to their asset data to protect public interests to enabling future software-driven services that rely on underlying data. The toolset begins with a subscription FTTX inventory product for equipment, fiber allocations, splicing plans, configurations, and as-built power readings. This database information is necessary to support operations, but also is key to grant audit compliance and future revenue development opportunities through software-enabled services. This core inventory system could be tied to state GIS resources and each CUD operating partner’s alarming systems to create a comprehensive view of CUD assets and services. Even if initiated as separate instances for each CUD, building these tools to a common platform by shared support staff would position for cross-CUD service automation and enhancements in the future. Together with the grant and financial experts, these systems can be configured to anticipate future audit and records requirements.
- **Middle Mile Grant Support** – Upon award of the Vermont Middle Mile proposal, these same grant, financial, and technical/software support capabilities could assist with implementation of a middle mile network management contract to the Special Purpose Vehicle or as the SPV.

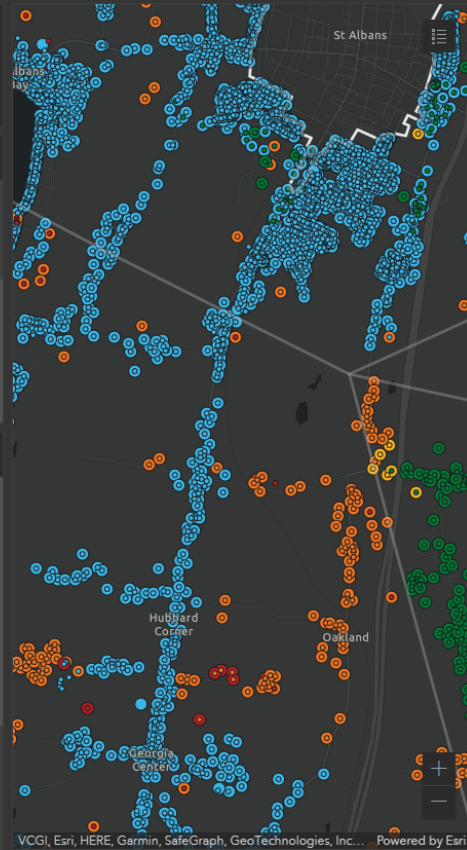
Filter by Communication Union Districts and Towns below. Click on your selected areas again to unselect and view statewide information. Click the "2021" or "2022" buttons at the bottom to view status data for each year.

CUDs

- Lamoille FiberNet
- Maple Broadband
- NEK Broadband
- NEKBroadband/LamoilleFiberNet
- None
- Northwest Fiberworx**
- Otter Creek CUD
- SoVT CUD

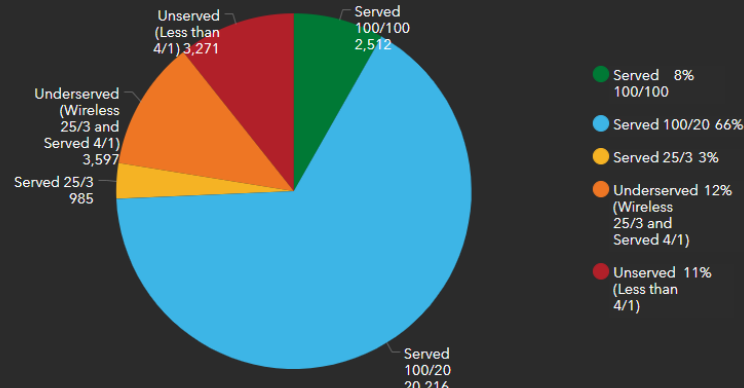
Towns

- Alburgh
- Bakersfield
- Berkshire
- Enosburgh
- Fairfax
- Fairfield
- Franklin
- Georgia
- Grand Isle
- Highgate
- Isle La Motte
- Milton
- Montgomery



2022 Statistics

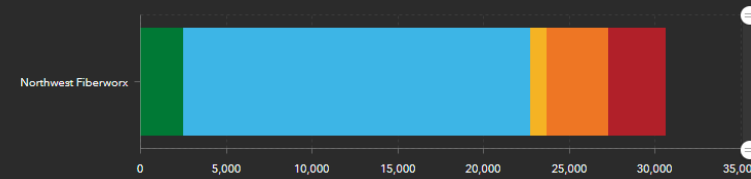
Percent of Addresses Served in Selected Area(s)



23,713
Addresses Served

6,868
Addresses Underserved/Unserved

Status Totals Per CUD



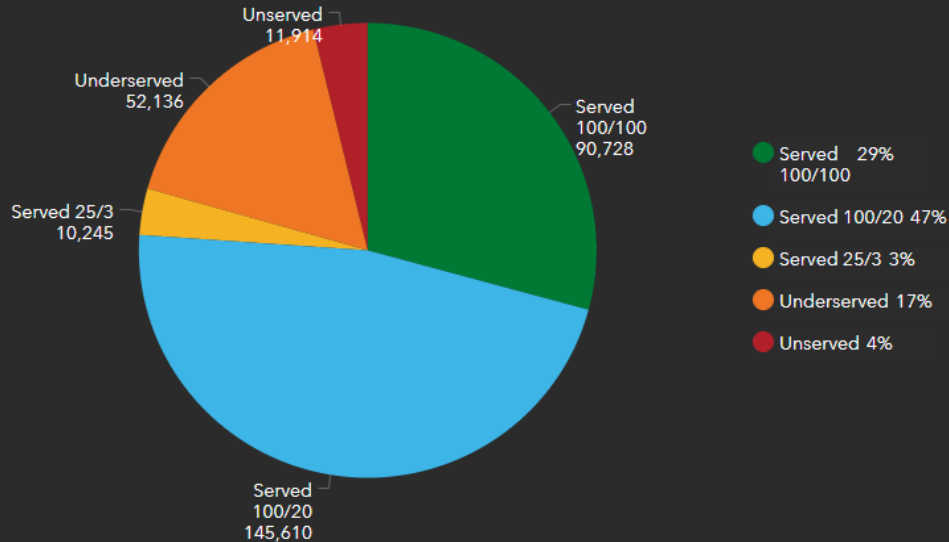
Total Eligible Miles in Vermont

7,342.39

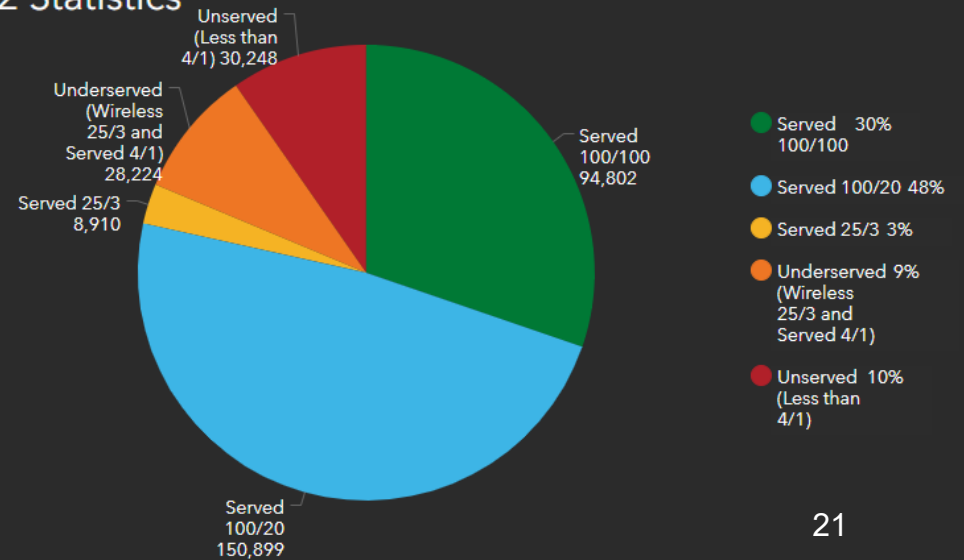
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2022 2021 Comparison

2021 Statistics



2022 Statistics



Media Coverage Links - 11/14/22-11/23/22:

11/14/22:

[\\$26.5M in grants would expand broadband to underserved Vermonters | Business | manchesterjournal.com](#)

11/16/22:

[\\$26.5M in grants would expand broadband to underserved Vermonters | Community-news | reformer.com](#)

11/17/22:

[Tension builds between broadband providers | Local News | vtcng.com](#)

[State officials tour NEK to discuss unspent ARPA funding \(wcax.com\)](#)

[Chittenden towns vote to join communication union district | Local News | vtcng.com](#)

11/20/22:

[5 municipalities in Chittenden County form new communications union district - VTDigger](#)

11/21/22:

[Katherine Ash: Skilled trade jobs are in high demand. Vermont can seize the moment. - VTDigger](#)

11/22/22:

[The FCC has a new broadband map. Vermont officials say it vastly overstates reality. - VTDigger](#)

11/23/22:

[Some Vermonters Are Living and Working Better Thanks to New High-Speed Internet | News | Seven Days | Vermont's Independent Voice \(sevendaysvt.com\)](#)

Data Challenge Info

FCC Fabric Challenges – the fabric is a dataset of all locations (or structures) in the U.S. where fixed broadband internet access service can be installed. It makes up the points on the map. Fabric challenges dispute the accuracy of the location data included in the Fabric.

- **Individual Fabric Location Challenges** – Consumers may use this method to submit challenges for their homes or small businesses. Individual challenges to a location will be accepted directly from the online map.

These challenges can include:

1. A location that meets the Commission’s definition of a Broadband Serviceable Location is missing from Fabric.
2. A location's broadband serviceability is incorrectly identified.
3. Information such as the address or unit count for the location is incorrect.
4. The location's placement - its geographic coordinates - is incorrect.

- **Bulk Fabric Challenges** - governmental entities, service providers, and other third parties, may submit bulk challenges to the Fabric to help identify missing and incorrect locations. These will be filed directly into the BDC system and must meet the format of the applicable data specification.

To prepare for the bulk Fabric challenge process - Execute a free license agreement for access to the Fabric data. Review the Public Notice announcing the bulk Fabric challenge data specification and explaining the FCC’s methodology for identifying structures as Broadband Serviceable Locations. Develop a strategy for reviewing and validating the Fabric data for their geographic area. Align their data with the requirements set out in the Fabric bulk challenge data specification.

Fixed Availability Challenges - availability data is location-by-location broadband availability data from approximately 2,500 providers of fixed broadband service and standardized mobile broadband availability data. Challengers may dispute the availability of fixed broadband service at a particular location or set of locations.

- **Individual Fixed Availability Challenge** - Consumers may use this method to submit challenges for their homes or small businesses. Individual challenges to a location will be accepted directly from the online map.

Bulk Availability Challenges - governmental entities, service providers, and other third parties, may submit bulk challenges to the availability data. These will be filed directly into the BDC system and must meet the format of the applicable data specification. Bulk challenges must include evidence and details about the dispute, including the challenger’s methodology, the basis for determinations underlying the challenge, and any communications with the provider

Challenges can include:

1. Provider failed to schedule a service installation within 10 business days of a request.
2. Provider did not install the service at the agreed-upon time.
3. Provider requested more than the standard installation fee to connect this location.
4. Provider denied the request for service
5. Provider does not offer the technology, or service type, at this location.
6. Reported speed not available for purchase.
7. Subscribed speed not achievable. [Individuals only can select this option (on the map), but it won't create a challenge.]
8. No wireless or satellite signal is available at this location.
9. New, non-standard equipment is required to connect this location (satellite/fixed wireless only).

Include with a fixed availability challenge: Evidence and details of a request or attempted request for service, including the date, method, and content of the request and details of the response from the provider, or evidence, such as a screen shot or emails, showing no availability at the disputed location

To see the map, check your address, and file a challenge, go to:

[Broadband Data Collection Consumer Information | Federal Communications Commission \(fcc.gov\)](https://www.fcc.gov/broadband-data-collection-consumer-information)

#	Priority	Item	Date entered	Assigned to	Resolution and date
22	3	VCBB's approach to mapping and strategy for challenging the FCC.	6/14/22	CH	Tentative plan to present strategy at future meeting in January. A Federal Program Officer at the NTIA will be needed to work on this with and that has finally been announced as Clay Purvis from the Public Service Department.
24	1	Invite to the Federal Delegation to future Board Meeting	8/8/22	CH	Delegation will be invited to the January Board meeting
25	2	Host workshop for the CUDs on Uniform Guidance	8/8/22	CH	Scheduled for December 7th
26	1	Establish policy to address issue of enforceability with any of the partners and the CUDs.	8/22/22	CH	Team will finalize plan and share with Board at a future meeting.
28		Finalize subsequent overbuild policy.	10/31/22		This is addressed in the VCBB Data and Overbuild Policy submitted to the Board for approval at the 11/28 meeting.
29		Include placeholder for budget update, dashboards, and policy and goals discussion to all Board Meeting Agendas	11/03/22		This will formally be in place starting with the January, 2023 Board meeting.
30		Adjust timing of Board Packet to at least 5 business days before the Board Meeting	11/03/22		Plan to start new schedule in January
31		Discussion regarding Dataset Policy that the VCBB will use for grantmaking	11/14/22	CH	Planned to address at the November 28 th meeting
32		Alignment of VCBB Mission Statement based on Act 71	11/14/22		Patty Richards to lead this.
33		Create a Communication Procedure Plan for Board notifications of updates from Staff (press releases, legislative presentations,	11/14/22		This is included in the November 28 Board meeting.
34		Discussion regarding development of a separate website			Staff recommends we continue with the current website which follows state protocols.

27		Board requested that a grant agreement template be shared	10/31/22		Item closed – agreement was shared
23	1	Define audit criteria and post award grant reporting and review process for grantees/CUDs	8/8/22	CH	Item Closed - Compliance Recommendation Memo presented October 31 st . Additional reporting requirements will be shared once the new form is updated and staff will create a dashboard for tracking.
18	1	Signature Authority of Executive Director	03/28/22	CH	Closed. Approved in July.
19	1	Policy around hiring staff	03/28/22	CH	Closed. Approved in July.
21	1	Invite to Doug Farnum to future Board Meeting	6/14/22	CH	Attended August 8 th meeting.
20	3	Recommendation for designation of an entity for Digital Equity & Affordability Office	03/28/22	CH	Closed. This is being addressed by the Governor's office per a directive from the NTIA. This falls into the responsibility of the VCBB as a subset of the IJA program.
8	2	Policy on "Material Default" see §8086(c)(2)	11/1/21	board	Closed. Issue has been resolved through legislation.
5	3	VCBB Dashboard – to be shared monthly to show progress. What are the milestones?	11/1/21	CH	Closed. Stone Environmental has presented its proposal and the software platform meets the needs.
16	1	Provide Board with impact of Commitment letter	02/14/22	CH	Closed with material pre-purchasing proposal.
17	2	Statewide marketing collaboration with VCUDA	02/14/22	CH	Closed. VCUDA is not interested.
15	2	Provide Benchmarks for what telecom companies spend on Marketing	02/14/22	CH	Will research and present back on 3/14/22 Board meeting
1	1	Budget	10/18/21	CH	Completed. 2021 budget approved. 2022 will be presented in March.
2	1	Overbuild – what is the standard (20% of total served?)	11/1/21	CH	Completed. See Construction RFP Definition
3	2	Business Plans – what is the scope? Will they be updated before construction grants?	11/1/21	CH	Completed. The updated business plans will be included in the Construction RFP responses.
6	3	Fiber purchase – VCBB involvement? authorization? Status?	11/1/21	CH	Completed