

Shaftsbury Select Board
September 3, 2019
6:30 pm

- 1) Call to order at 6:30 pm. Present were Select Board members Tim Scoggins, Ken Harrington, Art Whitman, and Tony Krulikowski. Also present was town administrator David Kiernan, Rob Steuer of Shaftsbury, and Jeff McIver of Consolidated Communications. Jeff Austin of Consolidated arrived later.
- 2) Conflict of interest statement
No one reported a conflict of interest with any item on the agenda.
- 3) Warrants
Payroll warrant #4, \$22,376.78. Mr. Krulikowski moved to approve the warrant. Mr. Whitman seconded the motion, which passed 4-0-0.
Check warrant #5: \$50,761.75. Mr. Krulikowski moved to approve the warrant. Mr. Whitman seconded the motion, which passed 4-0-0.
- 4) Announcements
Myers Rd. will be closed from 7A to Ehrich Rd. beginning 9/4/19.
The new draft Town Plan has been posted on the website prior to a hearing on 9/24/19.
- 5) Public comments
None.
- 6) Treasurer's report
Ms. Dexter turned to the cash flow. She said she'd received \$30,000 in tax money that day; no more draws on the line of credit will be needed. (The listers had gotten the Grand List finalized on time and tax bills were sent out earlier than usual. Most citizens should have received the bills already. Ms. Dexter urged all to check the bills rather than wait to the last minute to discover an error. A frequent problem is a failure by the landowner to file for a homestead exemption. Mr. Whitman reminded all that it is the citizen's responsibility to pay the tax bill.) She pointed out a couple of grants that had been received.
- 7) Roads report
Mr. Kiernan gave an update. The crew has begun to work on a 400' underdrain at the western end of West Mountain Rd. Myers Rd. will be closed from Route 7A from 7a-3p for the next three days. Some work, including installing a guard rail, is still underway at North Rd. Road grading will be done on Old Depot, West Mtn., and Maple Hill, weather permitting. Coulter Rd. ditching needs seed and mulch. We're looking into cover for our dump trucks. The Shaftsbury Hollow and Trumbull Hill projects will start near the end of the month, then the crew will return to Myers Rd. to do french drain work. Work seems to be on schedule. We hope to hold an open house at the garage by the end of the month. Mr. Harrington said he thought dump covers are a waste of money. Mr. Kiernan said it would depend on what PACIF considers best practice. Mr. Whitman said Jim White, tree warden, has encouraged the Town to begin to take down ash trees as work on the roads proceeds, even though it will make people unhappy. Mr. Kiernan said we have \$15,000 in the budget to take down trees.

8) Approve Cross Hill Project Bid

The bids were opened at the last meeting and were as follows: Weaver, \$22,800; Morse, \$25,900; and Kurtz, \$36,800. Mr. Yanotti confirmed that the Weaver bid – the lowest bid – is in order. Mr. Whitman moved to accept Weaver's bid. Mr. Harrington seconded the motion, which passed 4-0-0.

9) Broadband internet

Jeff Austin and Jeff McIver of Consolidated Communications appeared before the Board. They gave a presentation on what Consolidated Communications fiber exists in Shaftsbury already and what they are doing in Chesterfield NH to provide broadband fiber to every premises.

Fiber has been in place in Shaftsbury for some time on some of the major roads, providing the backbone for phone and DSL service (copper wires) to the home.

Austin described the three major components of a broadband fiber buildout:

1. Getting fiber on every pole (a couple of million dollars),
2. Updating the electronics at their hub in Bennington (several hundred thousand),
3. Getting fiber from each pole to and into a residence (a couple of million).

Austin suggested a model in which the Town takes out a bond and contracts with someone like Consolidated to run the fiber to the poles. When someone decides to make use of the service, they are charged a construction fee as well as the usual monthly charge. The construction fee is transferred from Consolidated to the Town, to pay down the bond. The Town owns the fiber, Consolidated runs the program. For the period of the bond, an agreement between the Town and Consolidated guarantees the continuation of the relationship between the two. (Chesterfield NH actually negotiated a deal in which Consolidated owns the fiber and guarantees the bond, minimizing the town's financial risk.)

Mr. Scoggins calculated that almost all of the internet users in the Town would have to subscribe in order for the Town to float a bond at a \$10 monthly user fee. A non-disclosure agreement will be required before Consolidated can move forward. The NDA keeps its competitors from learning what service speeds each individual customer is subscribing to. Many of its competitors serve only well-populated areas, while Consolidated, as a descendant of the old phone system, is mandated to serve all – in this case with copper lines. A Request for Information, a kind of survey of users, is a document also needed early in the process. Mr. McIver said 150/75 Mbps would likely be the initial service offering. (The Consolidated speed is in part a function of the limitations at the central hub.) When asked, he said the company probably wouldn't want to maintain both copper and fiber. Consolidated could not make use of the fiber belonging to other companies.

Mr. Scoggins asked if getting fiber to all could be leveraged to enhance cell service. Mr. McIver said possibly (small cell packets could be installed, for example, to hopscotch from pole to pole), but affordability is the issue.

Mr. McIver said Vermont's H.513 is substantially similar to the enabling legislation in NH.

He said a company with ten or more employees would probably need fiber. Smaller companies could probably make do with copper, and at a price of \$50-\$60/month. Mr. Scoggins asked about a more surgical approach – building out to only those parts of town that don't have satisfactory service. Mr. McIver thought the smaller population might make it harder to build a business case that works. Mr. Austin noted that serving only a portion of the town would jeopardize the town vote.

Mr. Scoggins reported that the planning grant, a maximum of about \$60,000, doesn't require a match but that priority will be given to towns that contribute financially. Mr. Scoggins thinks we should pursue the planning grant. The grant can help estimate the "take rate," that is, how many residents might be interested in subscribing. Mr. Whitman moved to pledge to contribute \$6000 if the planning grant is awarded. Mr. Krulikowski seconded the motion, which passed 4-0-0.

10) There was no other business.

11) Review of action items

We haven't heard back from the attorney re consolidation of funds.

The road foreman reviewed the Cross Hill bid.

Mr. Scoggins posted an intent to apply for the broadband planning grant.

12) Adjournment

Mr. Whitman moved to adjourn at around 8:22 pm. Mr. Krulikowski seconded the motion, which passed 4-0-0.