

CHELSEA PLANNING COMMISSION

MINUTES

AUGUST 10, 2017 MEETING

TOWN LIBRARY

Members Present: Ed Burger, Dickson Corbett, Tim Courts, Neil Kennedy

Public Present: Sarah Burger, John Roy

Called to order at 7:12 p.m.

1. The minutes of the July 27, 2017 meeting were unanimously approved.
2. Guest John Roy presented on the current state of EC Fiber. John was formerly a delegate to EC Fiber and is now the CEO of Valley Net, which is the company that EC Fiber has contracted with to build and operate service to the 24 EC Fiber member towns which include Chelsea and which range from Thetford to Pittsfield.

John provided a brief overview of the history of EC Fiber. In 2008, EC Fiber was formed on town meeting day by a vote of the 24 towns, and it was expected that they would be able to approach investment banks that fall and raise the money necessary to provide fiber-optic internet to all 24 member towns within three years. But the stock market crashed and capital disappeared, and efforts to secure federal or state governmental funding in 2009 were not successful.

In 2010, EC Fiber launched a pilot project in Barnard to build the first 26 miles of fiber-optic cable. This project required subscribers to buy a bond to fund the construction. Many people still remember the price of this bond as an obstacle to subscribing. But the project was successful, and it proved that EC Fiber had the capability of building the network and providing service.

In 2012, Fairpoint attempted to undermine EC Fiber by installing DSL internet in the towns in which EC Fiber was planning to build next. An "insurrection" resulted and pressure was applied on the governor, which resulted in a governmental intervention and a consent settlement in which Fairpoint built several fiber-optic trunk lines in Orange County. These lines now provide some of the basic connectors for fiber service in Orange County. EC Fiber has an indefeasible right to use these lines.

Between 2012 and 2016, EC Fiber's successes allowed them to access the investment market again. In 2016, EC Fiber was able to borrow \$9 million dollars for construction of lines,

and in 2017 EC Fiber has been able to borrow \$14 million dollars. As a result, EC Fiber is providing fiber internet to the entirety of about 12 towns in 2017 and 2018, including Pittsfield, Barnard, Pomfret, Stafford, West Windsor, and Thetford in 2017, and then Rochester, Granville, Hancock and Braintree in 2018 with some additional work connecting Woodstock and West Windsor. EC Fiber intends to be able to provide service to all 24 of its member towns within about four years or so.¹

The biggest limitation now is not funding but capacity. Essentially, EC Fiber has to apply for a permit for every single telephone pole that they connect wire to. At this point, EC Fiber is building about 250 miles of fiber per year, and there are about 26 telephone poles per mile. That is a lot of permits. And every telephone pole is owned by some private company, be it Green Mountain Power or Washington Electric or someone else, and for every telephone pole there must be an inspection and a negotiation about whether there is space on the pole for another line and if not which lines need to be moved and so on and so forth. Companies are supposed to complete this process within six months but often do not; this is the biggest obstacle to faster rollout of fiber internet in the remaining member towns.

Chelsea has historically expressed, at most, sparse interest in EC Fiber. If Chelsea wants to accelerate its access to fiber-optic internet, these are the steps that should be taken:

1. Appoint an EC Fiber delegate and alternate delegate. Our position of delegate has been vacant for some time.

2. Advertise and promote EC Fiber in Chelsea. Past assumptions about the pricing of EC Fiber may be outdated or mistaken. The business model and subscription terms are clearly advertised on the website. A delegate could be helpful in promoting the service terms.

3. Write to our representatives to encourage the "make ready" legislation. A legislative initiative was begun to add teeth to the "make ready" laws that govern the speed with which companies are supposed to complete the reviews that allow EC Fiber to add fiber optic internet to the telephone poles. Legislation is stalled at the statehouse. Chelsea could write to its representatives to encourage them to support and advance the legislation.

It was agreed that the planning commission could begin by assisting in the recruitment of an EC Fiber delegate and alternate delegate. Tim Courts will speak to someone he knows and if that is not successful Dickson will advertise on Front Porch Forum.

3. The Planning Commission needs at least one member, possibly two or three because there are some members who are doing the job but would be pleased if someone else was interested. Dickson will advertise on Front Porch Forum.

¹ Any ambiguity in that timeline is attributable to Dickson's notetaking and not to John's presentation, and shouldn't be understood as expressing any representation of EC Fiber or Valley Net. The point was that they are planning to provide service soon to all 24 towns.

4. Ed updated the group on his meeting with Paul Costello. His notes from the meeting are attached to these minutes. It was agreed to invite Paul Costello to a meeting this fall, possibly in October.

5. It was agreed that the September meeting will be aimed at inviting the views of local businessmen on the economic and business climate of Chelsea.

6. Cell phone service was identified as a subject matter to review, adjunct to the issue of broadband internet. It may be a bigger restriction than broadband given the very positive progress of EC Fiber.

Adjourned at 9:10 p.m.

8/10/17

Notes on meeting with Paul Costello, Executive Director, Vermont Council on Rural Development, Montpelier, Vermont

On 8/9/17, I spent an hour with Paul Costello. Twelve years ago, Paul Costello had overseen an extensive exercise in Chelsea to explore its resources and opportunities and its vision. The results were the subject of the report, "Chelsea Community Visit. Report and Action Plan."

Paul has an understanding of the strengths and challenges of the community. He retains a continuing interest in Chelsea and volunteered to return to speak to the Planning Commission.

He made a couple of specific recommendations:

1. For extended broadband service.
USDA Rural Development Program
Mr. Ben Doyle
2. Green Mountain Economic Development Corporation
Bob Haynes, Regional Director
White River Junction
(802) 295-3710
(Costello suggested bringing him to a Planning Commission Meeting)
3. He applauded the concept of a subcommittee for economic development
4. He recommended that we spend some time with Andy Pomerantz who led the earlier discussions 12 years ago.
5. He recommended that we include a member of the Select Board and someone from the Green Mountain Economic Development Corporation in discussions of the Planning Commission.

Ed Burger