

Middlefield, MA MBI Committee Meeting: March 16th, 2018

Location: Town Hall

Time: 6:30 PM ET – 8:30 PM ET

Attendees:

- David DiNicola (Selectman)
- Howard Knickerbocker
- Jay Swift
- Maureen Sullivan
- Joseph Kearns
- Brent LeBeau

Minutes:

[1] Introductions and Ground Rules

- Brent LeBeau provided a brief introduction of himself and his professional background as it relates to the objective of the MBI Communications Committee (hereinafter referred to as the “Committee”). Brent has 20 years of experience in Telecommunications.
- Dave DiNicola discussed public communications and commented that there should be no public communications with the approval of the MBI Communications Committee and the Select Board. Howard Knickerbocker expressed a concern with this and a discussion followed.

[2] The Committee has a total of 5 proposals / scenarios to consider – 6 if Charter is included. Questions the Committee must consider are:

- Is there an interest in having less than 90% of the households (hereinafter referred to as “HH”) passed? What is the minimum threshold?
- What can the Committee do with the \$580,000.00? How can the Committee make the best use of the funds?
- A wireless solution is also on the table for consideration.

[3] Matrix and Wi-Valley don’t have final financial figures with MBI just yet. Matrix would require a 60%-70% Take Rate (hereinafter referred to as “TR”).

[4] Worthington has not made a decision yet on which approach to take for their build-out. A 2/3 majority vote will be needed for this.

[5] There is no deadline to reach a decision at this point with MBI, although there may be a deadline with the providers.

[6] MBI has concerns with Matrix as a long-term provider (the ability of the company to stay in business and be able to provide services for a long time).

- [7] Comcast is an expensive possibility; however, MBI can negotiate with them – they could potentially be the best long-term viable solution.
- [8] A discussion took place regarding financing and also the differences between the ownership and operating options available. There is the option for Middlefield to own the network and contract out to operate it and also for a provider to own and operate the network.
- With Comcast, Middlefield would have no control over the network or operation of it.
 - Comcast also is seeking a full commitment from Middlefield prior to implementing the network.
 - Comcast also would not cap any increases in monthly fees. Matrix has indicated that they will cap fees in accordance with inflation. The projected cost of the Matrix option is ~ \$120.00 per month per user for internet.
- [9] Some of the different features of the various proposals were discussed.
- MBI has a home page with a link to the proposals currently available for consideration. If the Committee eliminates a possibility, the Select Board should be notified so MBI can be informed.
 - Wi-Valley is wireless. On their network, there is no streaming and maximum download speed is 12 MB/S.
 - Crocker was unclear in their proposal. They are also partnering with another company for financing.
 - Matrix needs a minimum of 170 subscribers before they will commit to construction.
 - Comcast is the only option where there is room for financial negotiation.
 - Whip City is committed to net neutrality (in favor) and requires no minimum sign-up before they will deploy.
- [10] MBI will potentially release additional funds. The concern is the viability of the chosen provider (i.e. are the financially stable enough to stay in business to support the network?).
- [11] There are 2 “global” issues the Committee must consider:
- What % of HH passed should be considered the “minimum”? It was mentioned that every other town is looking at a “full build-out” as the minimum (defined as a minimum of 96% of HH passed).
 - The technology itself. Comcast for example is all cable and utilizes older technology (coax versus fiber).
 - The cost to Middlefield is also a significant factor.
- [12] Westfield Gas & Electric (WG&E)
- Howard Knickerbocker has the view that this is the only viable option.
 - With this option, Middlefield would have the option of joining the Wired West Consortium (WWC), a committee that can negotiate for multiple towns and also handle the accounting functions and legal matters).

- The Committee agreed that it would like WG&E to make a presentation to Middlefield.
- WG&E has no minimum subscriber amount.
- Once the WWC is joined, the profits from the fees paid by Middlefield would be returned to the town (which could be used to help pay down any debt that may be incurred).
- It was mentioned that a “MLP” would have to be run.

[13] Charter is the unknown at this point – they may submit a proposal.

[14] Brent LeBeau suggested that, because of the various proposals and the amount of detail involved to digest, the Committee create a condensed summary of the various proposals and a simplified comparison. This would entail a grid or presentation comparing the various potential providers according to certain criteria. This would be of benefit for the Committee, the Select Board and the town of Middlefield.

- Wi-Valley and Matrix are not currently being considered for the “Short List” (final list of options to present to the town to vote on) at the moment.

[15] Brent LeBeau volunteered to take the Minutes for this meeting. However, the Committee discussed having someone from the Town Office attend future meetings and take Minutes.

[16] Howard Knickerbocker commented that he would be interested in reviewing a best and final proposal from MBI if Comcast presents a proposal. If this occurred, it could mean an additional \$200,000.00 in MBI funding for Middlefield.

[17] The issue was raised again regarding the definition of a “complete build-out” – 96%? Another %?

[18] The Committee unanimously supported nominating a Chairman. Howard Knickerbocker nominated Brent LeBeau, as he is the newest member of the Committee and neutral on the issues. Brent LeBeau accepted the nomination. The 3 remaining Committee members unanimously voted to accept Brent LeBeau as Chairman of the Committee.

- Brent LeBeau will complete the Ethics form and take the Ethics test – Maureen (Mo) will send to Brent.

[19] The Committee decided on the next meeting date: Wednesday, March 21st, 2018, 6:00 PM ET, Town Hall. Brent LeBeau will put together an agenda and notice for the meeting and send to Selectman Dave DiNicola to post (minimum notice of 48 hours is required).

[20] Meeting adjourned.