

SELECTBOARD MINUTES
NOVEMBER 7, 2018

Meeting opened at 6:00pm

Present: David DiNicola; Chair; Judith Hoag; Albert Sirard
Duane Pease, town Administrator

Meeting moved to auditorium as a great number of residents were attending the meeting.

Dave opened by giving a history of how and why we have got to this point. The Broadband Committee (BBC) was formed on March 18th and there were 6 options for providing service to town. Brent LeBeau was the chair of the BBC; he had 21 years of experience in telecommunications. The BBC started with 5 members but before any meetings were held it was down to 3 for various reasons. The BBC held more than a dozen meetings. The committee narrowed the 6 options down to 3 and then to 2 as WiValley provided a wireless option. The 2 remaining were Whip City, a division of Westfield Gas & Electric (WG&E) and Comcast.

On July 30th a presentation was made to the S/B; WG&E had provided an estimate of approximately 1.2 million dollars to wire the town, this would provide coverage to 100% of the town according to the information provided, Comcast would provide service to at least 96% of the town at a cost of \$231,000 and the loan payment would be deducted from the Town's Cherry Sheet revenues over a period of 10, 15 or 20 years. The loan rate would be at the state loan rate. After that meeting, the Board invited a financial advisor from Unibank to a S/B meeting. He said it would be difficult for the town to secure a long term loan and recommended a series of ten one year notes with a five year loan at the end. He could not give firm interest rates but felt it would be at least 5% as rates were rising. He felt the impact on the tax rate could be as much as \$1.50/thousand. There was continued discussion involving Dave and MBI and at the October 24th S/B meeting Dave motioned to enter into a contract with Comcast, Al 2nd and the vote was 2-1 with Judy the nay vote and expressing her concern that the townspeople were not involved in the decision making and there still were a lot of questions to be answered. Dave's major concerns were the impact on the tax rate and uncertainty of the interest rates; he felt Comcast presented the less risky choice for the town and from his experience construction projects can go bad quickly.

On October 27th Brent resigned from the BBC.

Judy said we could go forward with Comcast getting the Make Ready and then make a decision on whether to continue with Comcast or go to WG&E. the board agreed the Make Ready could go forward as long as it was being paid for by the MBI funds. There was also discussion regarding the additional money MBI would contribute as well as the \$268,000 Comcast would contribute to the build out. Judy also said she is in favor of a Town vote.

BBC member Jay Swift said the WG&E cost was \$1 million and not 1.2. All want what is best for the town and WG&E has been in business for over 100 years and has proven its sustainability and the S/B making this decision makes Middlefield the only town that has not taken a vote on a provider to its residents. This is a big decision and the board should take its time.

BBC member, Maureen Sullivan, stated she obtained pricing from Comcast and it will cost \$90.90 for internet and that Comcast is constantly increasing its prices.

Former BBC chair, Brent LeBeau, said the final percent of coverage from Comcast wont be known until they have completed the mapping of the town and the pricing for 15/2 internet can be obtained for \$49.95 during a Comcast promotion. He also explained that Comcast uses fiber for their system but does connect to the home with coaxial cable. Higher speeds are also available from Comcast if the user wishes to purchase them. Sherri Venditti said the service is only as good as the limiting components and the fiber capacity is huge.

There was continued discussion regarding the Make Ready charges, Maureen said the WG&E's make ready cost was \$397,465; how many homes are occupied by fulltime residents, what would the number of subscribers be; can the Make Ready charges increase over the estimates; the accuracy of the handout that was provided to residents as they came in to vote during the general election; how the money deducted from the Cherry Sheet would be made up.

Dave said it will be a hurdle to have the town pass borrowing \$1.2 million for a town owned system and Al stated the borrowing would have to be included in the tax rate even if the subscribers were assessed the full amount of the loan. Any vote for borrowing would need a 2/3rds majority to pass.

Dave motioned to adjourn; Al 2nd; vote 3-0 and meeting adjourned at 7:40pm.

Minutes respectively submitted by:

Duane Pease
Town Administrator

Minutes accepted with/without changes by:

David DiNicola, Chair

Judith Hoag

Albert Sirard