

Leyden Broadband Committee Meeting  
Minutes  
February 22, 2017 at 7:00 pm  
Special Meeting to discuss MBI Assisted Build Program  
Leyden Town Hall

Committee members present: Bob Ryan, Bob Anson, Lance Fritz, David Curtis, Al Woodhull, and Tom Luck.

Jerry Lund was also present.

The meeting was called to order by Chm. Ryan at 7:00 pm.

Bob Ryan spoke of a February 14<sup>th</sup> meeting that he and Lance had with MBI's Peter Larkin at MBI's office in Westboro. Larkin offered Leyden a chance to be part of the "MBI Assisted Build Program" and inclusion in the first round of five towns to start the design engineering/make-ready process. MBI's Deputy Director, Ed Donnelly, provided Lance and Bob with a draft outline of their proposed "Assisted-Build" program and asked for feedback on what they were proposing. We were one of three Town's whose input was being solicited, the others being Ashfield and Shutesbury.

In reviewing the proposed plan, Bob expressed real concerns over the need for Leyden to payout approximately \$350K in utility company make ready monies without having any sense as to what the overall broadband project would cost. Yes it would get Leyden a big jump forward towards broadband but what if Leyden ultimately spent \$350K and got construction numbers that made the whole project unaffordable. Bob explained that Leyden could not participate in the MBI Assist Program without having some sense as to the overall cost of the total project and whether these monies were within the Town's Borrowing Authorization.

He put forward an alternative proposal to MBI and suggested that grant monies previously associated with Construction be advanced forward to cover the entire make-ready cost involved. Basically, use the state's money first. This would mean the Town would end up paying most of the construction cost involved, but it

would do so only after knowing that final cost were within its authorization parameters.

We discussed the timing of a fiber buy and the price implications of buying the fiber early in order to avoid lead time delays. The biggest reason for not buying the fiber early was the uncertainty of price fluctuations and the impact they could have on final cost.

Al spoke of the Wired West meeting attended by himself, Bob Ryan, and Jerry Lund in Worthington. Most towns represented were demanding that MBI release funds to the towns immediately. One specific proposal from Westfield Gas and Electric, an MLP, was discussed.

The pros and cons of organizing as an Enterprise fund versus a Municipal Lighting Plant came up for discussion again. Currently Leyden buys its insurance through MMIA (Massachusetts Municipal Insurance Association) and they do not have the ability to insure fiber. The MLP's trade group, PERMA, does insure fiber through a syndication put together by Lloyd's of London. This becomes important because Leyden will own approximately \$750,000 of fiber and our ability to insure it is a major concern. That said, the Enterprise fund model would more closely dovetail with the Town's current accounting system and would be more fiscally flexible for the Town of Leyden in that it would not require the mandatory equipment replacement reserve required of an MLP (currently \$74,900/year). General consensus still leans towards an MLP structure.

Lance asked for clarification on the Broadband Committee's mission and scope of action. He would like to know: When does the Committee's job end? When will the Select board need to charge another entity (the Leyden MLP or Enterprise Fund) to implement the Committee's recommendations? Also, what authority will that new entity have to make decisions about the town's network?

The meeting was adjourned at 7:48 pm.

Respectfully Submitted,

Bob Anson, Clerk