

# DRAFT

January 10, 2018

**Members Present:** David Provost (via phone), Clem Nilan, Tim Halvorson, Jane Knodell (via phone), Dave Hartnett, Joan Shannon (via phone)

**Member's Absent:** Theresa DiPalma Alberghini, Karen Paul

**Others Present:** Stephen Barraclough, Stacey Trudo, Dawn Monahan, Abbie Tykocki, Terry Dorman (via phone)

**Public Members:** None

Meeting commenced at 5:34 p.m.

1. Agenda

**MOTION** to approve the agenda made by *Nilan*, seconded by *Knodell*. *Unanimous*.

2. Approval of minutes from 10/11 BTAB meeting

**MOTION** to approve minutes from the October 11, 2017 Burlington Telecom Advisory Board ("BTAB"), made by *Hartnett*, seconded by *Nilan*. *Unanimous*.

3. Public Session

None

4. Management Update

Barraclough requests BTAB approval for the hiring of an additional customer service agent. The position is budgeted for in the FY18 budget. Adding the position enable BT to open its new storefront in the Ethan Allen Shopping Center. If approved, the position will move on to City Council for approval.

Regarding the budget, EBITDA is currently marginally ahead. Following a couple of challenging months for subscriber growth in October and November, BT enjoyed good performance in December. BT has 392 Net adds for the first six months of FY18, ahead of 350 for the same time in FY17. In the trailing 12 months, BT has seen an increase of 795 net subscribers.

**MOTION** to approve hiring of an additional Customer Service Agent made by *Hartnett*, seconded by *Nilan*. *Unanimous*.

Barraclough requests BTAB approval for the appointment of a Compliance Officer for Burlington Telecom to satisfy a FCC requirement of an active compliance plan, process and oversight.

This request follows the discovery that Burlington Telecom has been operating without having filed an International Section 214 application with the FCC, a required filing to be able to offer telephone service when operations began in 2004. Since becoming aware of this omission, BT has been working with outside counsel experienced in dealing with the FCC regulatory process to rectify. There is a possibility of a fine from the FCC for BT's noncompliance.

A complete audit of BT's internal compliance filings has confirmed that all ongoing filings are being made. BT has now submitted a Section 214 application to bring it into compliance with the FCC. In addition, BT has had to formalize a Compliance Plan, manual, process and name a Compliance Officer. External Counsel is targeting confirmation that these steps have been implemented/completed no later than January 22, 2018.

The Mayor and City Attorney have reviewed and approved the appointment of Stephen Barraclough as Burlington Telecom's Compliance Officer until the transaction for the sale of BT to Schurz closes.

**MOTION** to approve appointment of Stephen Barraclough as Compliance Officer made by *Knodell*, seconded by *Hartnett*. *Unanimous*.

**POINT OF ORDER** Hartnett requests identification of BTAB members dialing into the meeting by phone for the benefit of anyone who will be watching the CCTV recording of the meeting. Provost, Dorman, Knodell, Shannon are identified.

Provost calls for discussion of BTAB meeting schedule going forward through transition phase. In reviewing the BTAB's original charge, it is a governing board to bring oversight of Burlington Telecom for the City Council. As the City remains as current operator, it would appear prudent to provide management this continued oversight. Oversight will include review of quarterly financial information and addressing the issues and needs of management, such as the two motions approved tonight.

Provost opens the floor to feedback from BTAB members on how often the board will meet going forward.

Halvorson requests clarification on the timeline around the completion of the sale transaction. *Barraclough* – It's unclear. Most likely the 3<sup>rd</sup> quarter of this calendar year. Could be later or earlier, depending whether there is any intervention in Schurz' CPG application process with the Public Utility Commission (PUC). The Access Media Organizations have intervened in each of Burlington Telecom's past two CPG dealings with PUC but it remains unclear whether anyone will intervene in this next process.

Hartnett requests a 'best case scenario'.

Dorman states they will push for as close to fiscal year end as possible, noting however, that at the advice of legal counsel for both parties, the deadline for Schurz to file with the PUC within 30 days of signing the APA was extended to 60 days. This change was reflected in the APA.

Dorman and Barraclough will participate in a weekly phone calls to review the progress of the application work and to support Schurz in their effort to meet the 60-day deadline. These calls are to begin on Friday, January 12, 2018.

Barraclough notes Schurz will have different counsel representing them in the PUC process, as the attorney who previously worked with Burlington Telecom has a conflict of interest.

Knodell suggests the BTAB continue its business as usual and monitor the transition process as described by Provost by meeting every four to six weeks.

Hartnett requests clarification that nothing operational will be discussed in weekly calls with Schurz. Hartnett requests that the staff receive the courtesy of regular updates on the process and transition.

*Barraclough* – They are aware of what I am aware of.

Knodell leaves the conference bridge at 5:48pm noting support of continuing BTAB meetings every four to six weeks.

Provost requests Barraclough to send a proposed meeting schedule to the BTAB through September, to be reassessed if the sale has not yet been completed by that time.

Shannon requests identification of the attorney representing Schurz in the PUC process.

*Dorman* – Joslyn Wilschek in Montpelier.

**MOTION** to adjourn made by *Hartnett*, seconded by *Nilan* at 5:51 p.m. *Unanimous*.