

## MLP Board Meeting Minutes

November 9, 2023 - 6:00 P.M.

**Present:** Roger Fuller, Larry Cervelli, Joe Gazillo, Jeff Frechette, Justin West, MLP Manager, Jack Henry, Associate MLP Manager

**Absent:** Kady von Schoeler

**Public Present:** None

The meeting called to order at 6:01 p.m. on November 9, 2023. The minutes of the August 23, 2023 meeting were approved. Vote: Yea 4, Nay 0, Abstentions 0

Mr. West showed the board a chart depicting the data use for the week of November 1, 2023. It showed that the traffic hit 2 gigabits for three out of the five days. Mr. Frechette expressed concern about whether this represented broad-based use by most subscribers or whether it represented use by a few. He requested that the managers ask Westfield Gas and Electric for a report on the “Top Ten Talkers” as well as the lowest data users so that we could understand the usage profile. He further said that this information would be useful when we joined the five-town ring. Mr. Cervelli requested that the board have a statement concerning content monitoring as well as data use monitoring in case the subject came up at Town Meeting. Mr. West asked if the board wished to draft a policy regarding data use and content. Mr. Cervelli suggested that the managers draft such a policy and present it to the board at the next meeting. The rest of the board concurred.

Mr. West then presented the state certification of retained earnings for FY23. Mr. Henry then took the board through a summary of where we are with regard to retained earnings. Retained earnings were certified as of 9/27/23 at \$322,676.00, an increase of \$83,676. Mr. Gazillo raised the question of interest on these funds. Mr. Henry replied that we were in the process of obtaining that number from the Town Treasurer.

Given the increase in retained earnings over the past two fiscal years, Mr. West brought forward the issue of whether the board wanted to consider a reduction in the rate charged or issue another holiday free month. The board expressed caution that enough funds be retained to meet any large, unexpected expenses in the future. Mr. Fuller expressed the opinion that, as a courtesy, any change in rates should involve other towns. He further suggested that the board wait to see what savings followed from the Geocluster (ring). It was the sense of the board that they wanted to wait until the February meeting when there would be more data regarding costs. Mr. Henry suggested that there be a cost analysis prepared of a \$5 and a \$10 rate reduction. The managers will prepare one for the February meeting.

**Geo Cluster Status Report** – The Geo Cluster initiative is progressing. Mr. Henry reported that the go-live date for the Geocluster is currently mid-December. Around November 28 there will be work beginning on the hut including a negative 48-volt power source as well as new routers. There will be around a 2-hour downtime which we will announce to subscribers in advance. Mr. Cervelli expressed concern that the MLP is reliant on Whip City and asked the managers if they felt sufficient confidence in Whip City. They responded that they had great confidence in the current management and operation of Whip City Fiber. Mr. Fuller added that they had done a good job during the construction phase.

**CAFII Distribution** – Mr. Henry indicated that the CAFII program distribution would be around \$180,000 (representing the first three of ten years) in the first quarter of 2024. Access to these funds may be delayed beyond that time. These funds will be used to pay the interest on the broadband debt and the balance to pay down capital on that debt. Mr. Fuller expressed the need for those funds prior to June 30, 2024. Mr. West stated that the MLP might be able to cover the debt for FY24 should the CAFII funds not arrive before June 30, 2024.

Mr. Fuller stated that the broadband network cost the Town about half of what was expected, and Mr. West added that Town taxes have not been raised as expected.

Mr. Gazillo brought up the possibility of having a grant writer to investigate monies that are available from the State and the Federal Government. Mr. Cervelli requested that the managers canvas the other MLP managers to see if there were any interest in sharing a grant writer.

**Stipend Policy** – Mr. Fuller and Mr. Gazillo reported on discussions regarding the stipend for the manager. They requested that the managers send out the minutes soon after each meeting rather than waiting until before the subsequent meeting. Mr. Gazillo requested that the managers send the sub-committee an account of the hours worked by the managers. Mr. Fuller requested data on other MLP manager stipends. Mr. West said that he would get this information to the sub-committee.

Mr. Henry reviewed the current Operational Statement, indicating that the MLP was in good financial shape with most lines under budget. He noted that the winter season would change some lines. Mr. Fuller inquired whether customers were required to pay for a new drop prior to work beginning and Mr. West responded in the affirmative.

Mr. West asked Mr. Frechette whether there was any foreseeable competition for the MLP from 5G or other source. He replied that wireless providers were not pushing 5G except maybe T-Mobile who is not operational in this area. He added that the fact that we offer unlimited symmetrical service could not be matched by wireless providers. Mr. West asked him to keep scanning the environment and let the board know of any possible competition.

Mr. West said that the February meeting would cover retained earnings allocation, the FY25 budget draft, and old business. He concluded by hoping that the board members would all make a New Year's resolution to continue serving on the board and wished everyone a Happy Holiday.

The meeting was adjourned at 7:12 p.m. by unanimous consent.