

**Town of Ashfield**  
**Select Board Meeting Minutes**  
**October 12, 2016**

The Select Board Meeting was held at the Ashfield Town Hall in the small meeting room on October 12, 2016 at 7:00 pm. There were no audio recorders at the meeting. Approximately 9 audience members were in attendance. Previous SB Meeting was held on October 3, 2016. This meeting was held concurrently with the Finance Committee Meeting.

**Select Board Members:** Todd Olanyk-Chair, Tom Carter –Vice Chair

**Interim Town Administrator/Scribe:** Kayce Warren

Olanyk called the meeting to order at 7:10 pm

**1. Minutes**

None.

**2. Broadband Financing**

Chair Olanyk stated that this item, Broadband Financing, will be added to all Select Board Meetings for the foreseeable future. The Select Board wishes to discuss Broadband financing options with the Finance Committee based on the town ownership model outlined in the Last Mile Policy previously recommended by the Massachusetts Broadband Institute (MBI). As of September 29, 2016, MBI has substantially changed their recommended model. The Select Board is concerned that this might affect Ashfield's project.

Ted Murray, Finance Committee Chair, passed out the current financing plan presented in the MBI Readiness submission. He noted that the items that need to be addressed are:

- Determine the borrowing process;
- Determine if “private” investor loans are advantageous and whether a discounted rate would be agreeable; and
- Discuss this idea of “private investor” borrowing with interested parties.

Murray thinks that private investment by residents might be beneficial and plans to hold a meeting with interested investors. It might take care of some of

the start-up costs and put off borrowing and/or bonding for the project. However, with the ability to borrow using a Bond Anticipation Note (BAN's) for a ten-year period (up from five years) may be cheaper long-term. BAN's could also be used in conjunction with private investment. He will report back to the Finance Committee and Select Board on the private investor discussion.

Finance Committee member Carl Satterfield suggested that the Treasurer be invited to participate in these discussions as borrowing on behalf of the Town is part of that position's responsibility.

Satterfield asked whether the Town had specified plans for short and long-term debt for the Broadband project. Finance Committee Chair Murray stated that a cost breakdown was still to be determined, which is part of that debt determination. Chair Olanyk stated that maximizing the take rate be balanced with anticipated impact on the tax rate. David Kulp added that if 100% is paid by subscribers, tax impact would be less in the first three (3) years of operation, so a balance would be beneficial. Chair Olanyk stated that these types of policy decisions should be adopted subsequent to recommendation by the MLP Advisory Board. The Select Board is still discussing the composition of that committee. Chair Olanyk stated that the Select Board has considered having one (1) member of the Finance Committee, one (1) member of the IT Committee, one (1) member of the Board of Assessors, one (1) member of the Select Board, and perhaps a "member at large". This discussion item will be on Select Board agendas until the committee composition is determined.

Select Board member Tom Carter noted that if the Town had to Bond, other major projects should be rolled into one bond issuance. He noted that there could be significant costs to repair town bridges in the future. Carter has asked Superintendent Poissant to put together a list of bridges in anticipation of more discussion of these issues.

David Kulp noted the following considerations for the projects as the Town moves forward:

- MBI Policy change significantly re-defined the Last Mile policy, no longer requiring town ownership of infrastructure and service, now supporting private investment and ownership;
- MBI suggested participation in RFP process by towns;
- Ashfield project could be significantly slowed down by participating the RFP process; and

- Two private industry options exist now—Axia and Frontier.

Kulp contacted Bill Ennen, Director of Regional Initiatives at MBI, and he has affirmed that MBI is committed to following through on the current build-out plan for Ashfield.

Kulp stated that a contract will be negotiated with MBI for the development and construction process. MBI has proposed that the Town be required to pay three (3) installments of a 1/3 of the project cost with the first paid before make-ready, one third paid before construction begins, and a final payment prior to project completion. Under that scenario, Kulp suggested that the Town develop a robust contract to ensure Town receives the design/construction services agreed upon.

Chair Olanyk stated that the Town should stay on the current project development course and not be distracted by this policy change from MBI. If the state holds up the project, then we would have to stop, but wait until that happens. He is concerned that the MBI project agreement might hold up progress, but that cannot be determined at this point.

### **3. Highland Ambulance Recommendation**

#### **MOTION:**

Chair Olanyk made a motion to recommend Pat Thayer be appointed to the Highland Ambulance EMS Board, Carter seconded, **VOTE (2-0-0)**; unanimous.

### **4. Interim Town Administrator Report**

None.

### **5. Mail**

None.

### **6. Public Comment**

None.

### **7. \* Items not anticipated**

None.

### **8. Upcoming Meetings**

October 17, 2016.

## 9. Adjourn

### **MOTION:**

Chair Olanyk made a motion to **adjourn at 8:00 pm**, Carter seconded; **VOTE (2-0-0)**; unanimous.

### Document List

1. Agenda for 10/12/2016
2. Broadband Financing Plan