

TOWN OF PRINCETON MA
Princeton Advisory Board
Meeting Minutes
August 18, 2016

AB members in attendance: Jimmy O'Coin, Bill Lawton, Wayne Adams, George Handy,
BOS members in attendance: Edith Morgan and Town Administrator Nina Nazarian
Others PBMLP members in attendance: PBMLP Manager Marty Dell'Erba

AB Agenda

- Discussion for the planned Special Town Meeting Warrant September 13th and correlated Town Election Ballot, related to broadband internet services and town borrowing \$4.8M
 - - Bill Holden long term borrowing research
 - - PBMLP Marketing Survey Results
 - - recap the highlights of the BOS/PBMLP meeting
 - - topic of alternatives; for status/updates on Matrix, Comcast, Charter
 - - discuss whether we should meet again before 9/6
 - - PBMLP business model status, cash flow model status
 - - Recommendations from AB to BOS/PBMLP – review and decide to formalize and pass-on
 - - review the 3rd article on the warrant (5 person elected PBMLP board, replacing the BOS self-appointed 3 person board)
 - - any other action items from last weeks AC meeting
 - - approve last week's minutes

Meeting started at 7:05 PM

Discussion

- **Bill Holder presentation on long term borrowing**
 - Bill pulled together a view of long term borrowing from current day until 2040 with several scenarios/combinations of town projects in coming months and years
 - Reviewed the borrowing with respect to current obligations such as Thomas Prince School, Town Center monitoring, vehicle leases, Bentley Property and Field Stone Farm Property
 - Reviewed new projects under consideration including Broadband, Bagg Hall, and Princeton Center
 - Reviewed pension obligations including town of Princeton, WRSD, Worcester County
 - Reviewed taxpayer increases for each new project
 - Reviewed the aggregate effect of the borrowing for the debt ratio and how it climbs over the state's rule of thumb 5-8%
 - Bill summarized that the town needs to be careful in considering new projects given the new state laws to fund under-funded/unfunded pensions. And wherever possible, leverage commercial viable alternatives to town funded projects, leverage grants, and other fundraising methods.
 - Bill stated he will continue to improve the worksheet and encouraged

- anyone in the town to review his work and make comments/corrections.
- PBMLP to consider posting the worksheet on ConnectingPrinceton website.
- Advisory Committee thanked Bill for his diligence and contribution to town planning.
- Several questions and clarifications were made from the meeting attendees
 - Model does not make any assumptions about Broadband revenues to offset the cost of the borrowing
 - More research needed to validate WRSD pension obligations and who is responsible for administration (towns) and teachers (state)
 - Some reflected that the entire state and all of its towns share in the pension funding and the town of Princeton has a good track record of funding OPEB to date, while other communities are not
- **Discussion of the PBMLP Survey Results**
 - George Handy read the survey summary observations as written by project leader Lou
 - Survey reflected town-wide awareness of the Broadband to home project and identified information desired to be prepared by PBMLP in preparation for residents to cast informed votes. Information included project cost to town and impact if any on taxpayers, subscriber fees/packages/options, network design dependability, town coverage, internet speed and realized speed. The information would be for any/all viable options.
- **Recap of BOS/PBMLP meetings on 8/15 and 8/16**
 - BOS is in favor of applying MBI grants from town make ready work against the debt reduction for the make ready GO bond
 - BOS received a citizens petition to add an article to the STM 9/13 warrant, to change the composition of the PBMLP from BOS appointed board to a five member town elected board.
 - Additional discussion during the AC meeting was to determine when the election could be held. It cannot be held for the November elections since key deadlines have already passed, should the article pass. Worst case, elections would be May 2017.
- **Broadband Alternatives to town built FTTH**
 - Matrix has made improvements and clarifications to its June BOS proposal. Matrix invited to present on 8/25 AC meeting.
 - Comcast email states a proposal to come forward before 9/13, with no specific date or interim check-point concalls.
- **AC to meet before 9/6**
 - AC agreed to convene meetings on 8/25 and 8/31 to gather more data and recap PBMLP/BOS meetings.
- **PBMLP cash flow model updates and business model**
 - PBMLP is receiving more detailed vendor information for OLTs, ONTs, fiber cable and connectors, and related labor. The details will be flowed into the model and when available, be made available to AC
 - No business model exists. Several key elements in a business model not

conveniently pulled together and or missing includes:

- Market opportunity, alternative analysis, exit strategy, fiber coverage maps, P&L worksheets in traditional accounting balance sheet form, etc...
 - AC identified some examples
 - http://www.ashland.or.us/files/afn_strategicbusinessplan_2.0.pdf
 - <http://www.culvercity.org/home/showdocument?id=2204>
 - <http://www.hudson.oh.us/DocumentCenter/View/1724>
 - AC asserted the lack of a business plan is not a reason to stop progress and not consider the town-built FTTH. A business plan would ease the data gathering efforts of the AC if it was underway and or in-place. All agreed that the limited resources PBMLP is focused on the high-priority work and would need to solicit additional volunteers to do such a plan.
- **Reviewed third article add to warrant**
- Citizen's petition to have an elected PBMLP.
 - PBMLP/BOS board members agreed it had been previously discussed that the PBMLP should be turned over to a committee made up of non-BOS members.

Meeting adjourned 9:35 PM

Useful URLs to Publicly Posted Material for Broadband

- **Connecting Princeton:** <http://www.connectingprinceton.com/>
- **PBMLP Minutes:** <http://www.connectingprinceton.com/project-status-and-news/meeting-minutes/>
- **Comcast Proposal** – Not received yet
 - <http://www.connectingprinceton.com/about-us/why-do-i-need-high-speed-internet-anyway/comcast-updates/>
 - **Telecon Minutes July**
 - http://www.connectingprinceton.com/wp-content/uploads/2016/06/2016-08-02_MemotoBoS_MeetingwComcastSummary.pdf
- **Matrix Proposal** – http://www.connectingprinceton.com/wp-content/uploads/2016/06/Princeton_Matrix-Design-Agreement.pdf
 - <http://www.connectingprinceton.com/project-status-and-news/matrix-updates/>
- **PBMLP Cost/subscriber financial model :**
 - <http://www.connectingprinceton.com/project-status-and-news/ftth-financials/>
- **PBMLP 2016 Residents Survey** - Not available and posted yet
- **PBMLP Information Session Presentations** – not available yet, for 8/30 and 9/8
- **PBMLP Risk Analysis**
 - <http://www.connectingprinceton.com/wp-content/uploads/2016/06/RISK-REPORT-Final.pdf>

Meetings and Important Dates

- **August 22nd, BOS draft 2 of warrant**
- **August 23rd, PBMLP meeting**
- **August 25th, AC meeting, 7PM Princeton Center**
- **August 29th, BOS finalize warrant**
- **August 30th, – PBMLP Public Information Session for FTTH**
- **August 31st, AC meeting, 7PM Princeton Center**
- **September 6th, BOS meeting ; PBMLP meeting**
- **September 6th, AC prep for Sept 7th town hearing , 7PM, location tbd**
- **September 7th, 2016 – Advisory Committee Public Hearing, 7PM, location tbd**
- **September 8th, 2016 – PBMLP Public Information Session for FTTH , repeat info August 30**
- **September 13th, 2016 – Special Town Meeting for Warrant, 7PM Heritage Bible Chapel**
- **September 22nd, 2016 – Special Town Election for Ballot, 12N-8PM, location tbd**

Handouts

- Revised Draft v3 Town Warrant for September 13, 2016
- PBMLP Survey results and Survey summary
- Bill Holder long term borrowing worksheets

Wayne M. Adams, AB Member