Draft Agenda
Wards 4/7 NPA Meeting
November 29th, 2017 from 7:00 to 9:00 PM
Robert E Miller Center (130 Gosse CT.)

- 6:45-7:00 - Snack and socializing
- 7:00-7:05 - Ground rules, introductions, announcements
- 7:05-7:15 - Open Forum
- 7:15-7:30 - Public Safety Community Conversations.
- 7:30-7:45 - Public Banking Presentation - Rep. Brian Cina
- 7:45-8:30 - Elected and Appointed Officials

Steering Committee Members:
Matt Cropp, Ward 4
Jim Holway, Ward 4
Eric Corbman, Ward 4
Jeff Clark, Ward 4
Alexander Farrell, Ward 4
Martha Molpus, Ward 7
Linda Deliduka, Ward 7
Chris Trombly, Ward 7

Wards 4/7 NPA Meeting

November 29, 2017, 7:00 - 9:00 pm

Miller Community Center, 130 Gosse Ct.

Steering Committee Members Present: Alex Farrel (4), Matt Cropp (4), Chris Trombly (7), Jim Holway (4), Martha Molpus (7), Eric Corbman (4)

Report from State Representative

Carol Ode, state representative

Ms. Ode reports that she is keeping issues on the docket that she has heard individuals talk about.

Visited organization that helps people suffering from mental health issues.

Went to first ever veterans town hall hosted by the mayor, upset that many were dealing with problems resulting from service, but glad that all stated that it was worth it and that they were able to lead active lives

Went to reception in battery park like she does every year and recommends the experience to others

Went to climate summit called by the governor about alternative energy sources and moving ahead with a green economy.

Thanks the audience, says she is honored to represent them.

Gives email: code@ledge.state.vt.us

Public Forum:

Ground rules: listen to each other, respect time, respect timekeeper

A community member suggests that meetings be bi-monthly to increase interest and get more attendance, and another states that the rise in electronic (Facebook live) viewership of meetings has decreased physical attendance. Matt Cropp suggests the possibility of a pre-NPA community dinner, like that practiced by Ward 1/8.

A man publicizes a climate event on December 12th from 7-9 at a synagogue that will be attended by many faith organizations and the mayor. The event will educate people on what they can do to help fight climate change.

A community member on the BHS renovation group reminds everyone that we are doing a disservice to the children by pushing off the creation of a new high school, and explains that a proposal will be pushed to the superintendent in January.

Jim Holway adds that a video and slideshow on the BHS project will be presented soon. He also states that some elected officials may not be able to attend the meeting due to a date change and that in that event he has statements to present for then. He also announces a seat open on the board of registration and four other spots among the other boards, as well as positions for people to works as election officials.

Phet Keomanyvanh (CEDO) adds that 16 and 17 year olds can also work as poll workers as part of youth engagement efforts.

Jim Holway reminds the assembly that the audience of the last meeting voted through the resolutions to advise city council about Memorial Auditorium, but that his presentation on the issue will be pushed back as the BT sale has consumed all his time.

Public Banking Presentation

Vermonters for a New Economy:

Proponents of a VT state bank present a skit about the possibility of a state bank complete with glittery signs, several easel sheets, and prop hats.

Explain afterward that Vermont tax payer money is kept in Wall Street banks, which is then used to invest in areas from Big Pharma to Big Oil, and that when the state needs its money out (for infrastructure, student loans, etc.), it borrows it at interest from the bank. A state bank would keep money within the state and therefore more available for in-state use. According to the presenters, an in-state bank would improve access to affordable housing and decrease poverty because money and investment would stay in Vermont. The bank would also be run and controlled by Vermonters and therefore would have incentive to benefit Vermonters.

They clarify that public banks like this have been successful in North Dakota and some European countries, and the proposed bank would work together with private banks. The end goal of this group is to get state officials to asses the possibility of the state bank.

A man asks why the state gets its money by withdrawing from a private bank instead of just using it, and the representatives answer that once collected, tax money must be deposited somewhere, and the debate is over where that deposit goes. The issue boils down to this: the representatives propose that instead of private banks making money off of investing and lending Vermont money, Vermont makes money off of investing and lending Vermont money.

The man asks how we know the public bank will be safe, and the reps reply that the public bank would be run by the same type of professionals as private banks. They also clarify that the bank would be insured with FDIC standards. The private bank would pursue "boring banking," not more risky pursuits like derivatives trading, so money should be safer. Also, one reminds the audience about what happened to big banks in 2007/8.

Theoretically, the state bank would pay for itself and much more with its own profits.

City Counselors' Report:

Jim Holway reads report from school board about school board efforts in the coming month, those involving budgeting and self-assessment.

Dave Hartnett:

States that he is happy with the decision (Schurz-ZRF partnership) and states the KBTL was a long-shot; the mayor had said he would veto it and Citibank had stated they would sue if the Council pursued the coop option. Selling the telecom to Ting would have caused a total takeover of the telecom.

Hartnett states that he was in the KBTL camp since Schurz was eliminated from the process. Schurz was the favorite of the BTAP committee tasked with assessing the bidders, but was eliminated due to political maneuvering, according to Harnett.

It was proposed that the decision go to one vote per councilor, which it was understood would end up eliminating Schurz and ZRF altogether, so Hartnett went to the Schurz owner and suggested that he switch to the Schurz-ZRF to avoid another deadlock. This is the proposal that eventually passed, one which he assures the assembly is nearly identical to the original Schurz proposal and is the best vote he has ever made.

Again, Hartnett clarifies that Burlington Telecom was never owned by the city in the first place, so while yes, he would love to sell to KBTL, it would have been impossible.

Kurt Wright:

Agrees that Schurz-ZRF was the right choice. In his mind, Schurz was the most stable company of the three (plus KBTL). He assures everyone that citizens will not know the difference in service after the sale. He compares the angry tweeting of Burlington citizens about the decision to the POTUS's tweets, stating that such tweets are not factual. He says he will continue to stay on the [factual] high road.

Ali Deang:

Apologizes to the Burlington community and the BT employees. He states that there was an agreed-upon process in place, and that it was established that no councilors should talk to the bidders, and says that councilors picked the bidders up at the airport, and no one knows what was said there. Gets angry about the swearing on TV from elected officials.

Also upset that the process moved away from established wherein Terry Dormant (city negotiator) assessed all possible options.

Question and Answer:

When pressed, Hartnett does not apologize for his actions in the meeting, stating that Councilor Bushor's slandering of other councilors was the real disrespect occurring that night.

The counselors argue over the nature of the meeting between councilors and the bidders at the airport. Wright states that this meeting was approved by Terry Dormant, so allegations that it was secret or inappropriate are untrue.

According to Hartnett and Wright, allegations that the passed proposal was out of left field are untrue, at it is a combination of two, already existing and scrutinized proposals, not a new proposal.

The councilors clarify that this process had to be completed that night to avoid meeting deadlines which would result in the city's BT share dropping from 50% to 35%.

Wright adds that had Ting (as a publicly-traded company) been sold the Telecom, they would have been under obligation to their shareholders to sell BT again to an outside party if another viable proposal was made after a period of 5 years.

A community member brings up Councilor Paul's resolved conflict of interest and Hartnett states that there is potentially a lawsuit in the works. Wright clarifies that Paul and the city attorney were very clear that Paul resolved the conflict of interest after quitting her job.

A community member suggests the addition of a 13th councilor to avoid deadlock situations in the future. Councilors Deang asserts that the committee meant to come up with a solution for a tiebreaker did nothing on that front, to which Wright argues that as a member of that community, he can assure the audience that the rules of the Council charter require that the councilors, not a tiebreaker, make decisions.

Councilor Hartnett pays his respects to community member John Ewing, who recently passed away.

End: 9:00 pm

Minutes taken by Ben Lahey, CEDO intern

Campaign for a Vermont State Bank – Talking Point

1. A Vermont State Bank would help our Vermont state budget.

A. *The Stakes:* With dysfunction in Washington D.C., our **state government is at risk of losing long-relied-u federal dollars and support.**[1] Being Vermonters in this day and age will demand we build on our Vermon tradition of self sufficiency. With a Vermont State Bank, our taxes would go on deposit in **a bank that we people of Vermont own.**[2] With a Vermont State Bank, the interest and profits from servicing loans would paid back to the our new people-owned Vermont State Bank rather than private stockholders..

B. *Big Earnings:* The State Bank of North Dakota – the most successful public bank to date – has returned **$500 million in just the last ten years** in revenue to the state of North Dakota's general fund.[3] This massi revenue stream has even led to debates over whether **to eliminate the state property tax.**[4] (Over the last years, the State Bank of North Dakota not only buoyed the state budget but also expanded its affordable lending, **allowing North Dakota to weather the 2008-financial crisis** better than any other state in the co

C. *Vermont Priorities:* Many of us take pride in Vermont's willingness to act and lead – even while others a caught in the whims of the day. Yet today, in 2017, **there many too many Vermonters without reliable ac healthcare, nutrition, and housing.**[6] The revenue provided by a Vermont State Bank – likely totaling ten millions of dollars – would **empower us to fund important programs** that support Vermonters to thrive

D. *Big Savings:* Last year, the **Vermont state government spent over $20 million dollars** in interest to privat bondholders.[8] A Vermont State Bank would be able to provide **affordable and accessible financing** for important capital projects – like investments in public infrastructure and renewable energy – that curr rely on bonding.

E. *Tailored to Us:* The Vermont State Bank would have **a mission to serve the public interest.**[2] By starting sole depositor (the state of Vermont) the Vermont State Bank would steer clear of the expensive overhea associated with retail and investment banking. The State Bank would be **run by well-qualified, reasonably-compensated professionals**, like the president and CEO of the State Bank of North Dakota[8], **r than self-serving Wall St. executives** who pay themselves exorbitant salaries and bonuses.

2. A Vermont State Bank would invest in Vermonters.

A. *Bringing Our Money Home:* A state-appointed working group identified **$40 billion dollars of unmet capi needs** over the next two decades.[9] Leveraging Vermont's tax dollars, a Vermont State Bank would financ low-risk, high-reward projects that represent **prudent, long-term investments** AND **an immediate way to circulate our tax-money through our local economy**.

B. *Partnership Lending:* Through partnership lending, a Vermont State Bank would provide **expanded lines credit to the credit unions and local community banks** that have their finger on the pulse of Vermont's economy.

C. *Backbones of Community:* By redirecting investment to **locally-owned small and medium businesses, p infrastructure, education, and affordable housing**, a Vermont State Bank would support a resilient econ and stronger, more cohesive communities.

D. *High-paying Jobs:* According to the peer-reviewed study published by the University of Vermont Gund Institute, a Vermont State Bank would create over 2,500 high-paying jobs and over 1,000 in just the first two-years.[10]

3. A Vermont State Bank would ensure our state tax deposits are saf and transparently managed.

A. *Track Records of Success:* Since the 1970s Vermont's state lending agencies, including the Vermont Eco Development Authority, the Vermont Housing Finance Authority, and the Vermont Student Assistance Corporation, have provided affordable credit to Vermont businesses, homeowners, students and munici **while sustainably building their capital base lending operations.**

B. *Independent Governance:* The State Bank of Vermont would be directed by an independent, board of adv and separated from corporate or political influence.

C. *Security from Wall St:* Unlike Wall St. banks, the Vermont State bank would **refrain from dangerous investments in derivatives and credit default swaps.** This would eliminate exposure to a future bankin that might otherwise jeopardize the security of the state's public deposits.

D. *Transparency:* With its transparent business plan, the Vermont State Bank would offer the **comfort of kn**

Bring Our Money Home to Help Our Peop

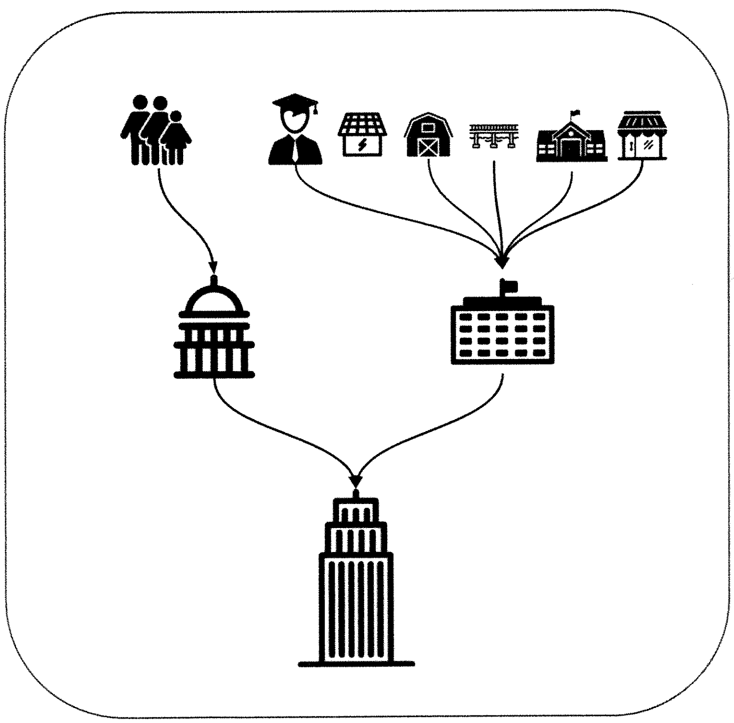
Envisioning a Vermont State Bank

Why establish a Vermont State Bank?

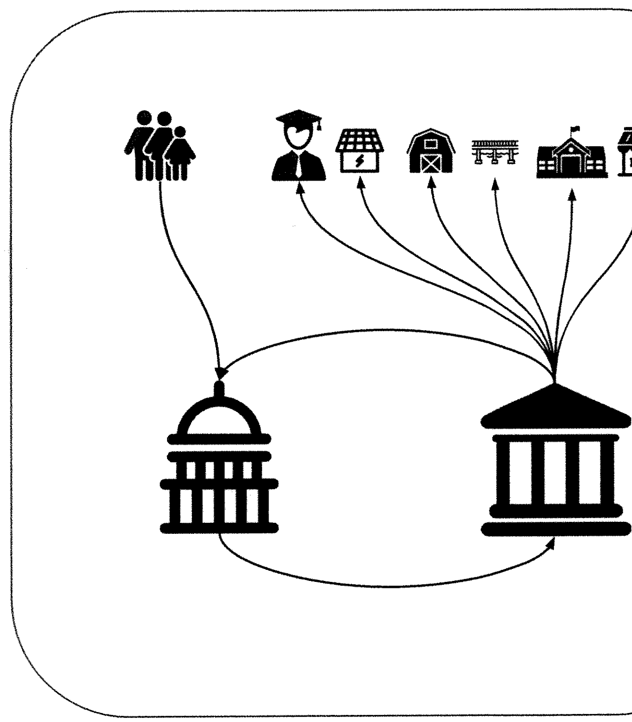
We believe that hard-working Vermonters deserve to have their tax dollars kept in Vermont rather than deposited in a private, out-of-state bank. By placing our taxes in a Vermont State Bank, we can circulate our money through our local economy and start earning returns – boo the state budget, instead of padding the pockets of Wall St. CEOs and stockholders.

We know that we can't expect Wall St. to serve our interests. And, with a changing global economy and political dysfunction in Washington D.C., there is no better time for us to seriou invest in Vermont than now. Vermonters want to keep the best from the past and carefully pl for the future. With a Vermont State Bank, we can take that vision into our own hands: growin our small and medium businesses, building stronger, more cohesive communities, and provid quality education, housing and jobs for all.

Depositing Taxes Outside of Vermont



Bringing Our Money Home



What's Wrong With Sending Taxes out of State

- Tiny returns (between one-quarter and three-quarters of a percent)
- High interest and banking fees (over $20 million every year)
- No transparency of or control over how our taxes are invested
- Expensive bonding and borrowing for state lending agencies and projects

Positive Possibilities of Bringing our Money

- Affordable in-state lending
- New revenue stream that would lowe burden on Vermont taxpayers or func Vermont programs
- A mission to serve Vermonters

SUMMARY OF PROPOSALS 11/20/2017 updated 11/28/2017

	TING/TUCOWS	**KBTL**	**SCHURZ (verbal, to be included in LOI)**
Management/Ownership	**No change** Successful operator for 24 years (public company since 2001); plans to offer retention to all staff	**Change** Cooperative will own entire business and is first-time operator; plans to maintain current management[i]	Schurz is majority owner. ZRF minority owner; plans to offer retention to all staff
Offer/Source of Funding	**Addition to offer/same funding** $32.3 million: $29.8 million guaranteed, plus up to $2.5 million additional paid at closing if planned FY 18 capital expenditures are made, which is anticipated cash	**Addition to offer/additional debt** $12 million (possibly up to $18 million): $12 million in cash funded by $10 million loan and $2 million equity raise (of which $600k is currently committed) Possible additional $6 million in notes or carried interest (or cash, if sufficient equity is raised), including $1.5 million loan from VEDA (not committed yet) Loan Terms: $10 million graduated payments loan from Maine	$30.8 million Assumes provided that $2.5 million in planned FY 18 capital expenditures is made. May increase price based on EBITDA performance for 2018 cash

	In addition, plans to deploy over $50 million in capital investment in the region over the next 10 years	maintenance & installation over the next 10 years No stated commitment of funds to network expansion.	
Ongoing community investment in City	**No change** Annual contributions (indefinitely) of $250,000 as follows: $60,000 into BTV Ignite and $50,000 free TV advertising for local startups and community events and $140,000 to other community projects. Advertising will be on premium channels. In addition, free service to select local non-profits, sponsorships of local events and programs, free wifi zones additional PEG access channels	**No change** Annual contribution of $50,000 to BTV Ignite starting FY19 and support of community projects (no specific financial commitment), including targeted technical training and co-working spaces, hosting events, internship opportunities for students, and PEG access channels	$1.75 million over 7 years ($250,000 a year) to create BTV Ignite Technology Innovation Fund, plus $350,000 over 7 years ($50,000 a year) for basic technical skills education for workforce/high school students. In addition, maintain and expand BT's community initiatives and start apprenticeship/internship program
Pricing commitment	**No change** No price increases for core Internet & VOIP pricing for at least 30 months Content cost increases on video passed on at cost	**No change** No price increases for 36 months in Internet or phone. Content cost increases on video passed on at cost.	No price increases on broadband for 60 months. Content cost increases on video passed on at cost.

Right to Repurchase	**No change (separate language, not in prior Summary)** If Ting divests itself of US fiber business or discontinues expansion, City may repurchase for up to 5 years following closing, based on EBITDA for 12 months prior to notice times same multiple paid by Ting	Not addressed	Will offer right of first refusal to City on future sale of BT to be negotiated in good faith
Additional considerations	**No change** Will make BT Ting's Eastern headquarters for video services. Will make BT Center for Research and Development for technologies that integrate wired infrastructure with radio spectrum to achieve the next generation wireless experience of "ambient connectivity".	**Change** **All** BT subscribers become coop members automatically with share price of $250 (non-Burlington subscribers will pay $500) (City & School District will receive membership interest in KBTL relative to service usage) Any carried interest by City callable by coop at any time. $1.5 million loan from VEDA sought for working capital (15 years at under 4%), plus $1 million line of credit	Board likely to consist of Nisar, Todd Schurz, possibly Gary Evans. City may nominate industry expert to BT Board if City rolls over most of its equity stake assumes zero working capital

Neighborhood Planning Assembly Attendees

NPA (choose one)		Wards 1 & 8		Wards 2 & 3		Wards 4 & 7		Ward 5		Ward 6

Date of Assembly : 11/29/17 Location: Miller

Please return to your convenor, Phet Keomanyvanh
or email to ***cedofd@burlingtonvt.gov***

1	Chris Trombly	7	21	
2	Martha Molpus	7	22	
3	Lorraine Carter-Lovejoy	7	23	
4	Jonathan Norrod	7	24	
5	Eric Corbman	4	25	
6	Steve McIntyre	7	26	
7	[illegible]	4	27	
8	Kurt Wright	4	28	
9	Kevin Stapleton	7	29	
10	Jaime Holway	4	30	
11	ALEX R. FARRELL	4	31	
12			32	
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