



CARES MONEY AND THE VERMONT POLE HARVEST

*Why \$1.4 to \$3 million
of CARES Act money
is needed to collect Vermont
pole data this autumn*

Assumptions



1. New CUDs can build up to 25% of their networks during the 2021 construction season
 2. No existing pole data is adequate for the design of Fiber-To-The-Home (FTTH) networks
 3. No construction can take place, no materials can be ordered, no design can be done, without adequate pole data.
 4. Pole data collection is a legitimate use of CARES \$ - small grants already made
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Assumptions



5. CARES \$ for pole data collection can be put to work by mid-September
 6. Pole data collection for all CUD areas to be designed during the winter of 2021 can be collected in 8 weeks
 7. As temperatures fall below freezing pole data collection cannot continue due to tech limits
 8. Financing for the 2021 work will be a mix of loans and grants both public and private.
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It's Harvest Time



When it comes to pole data collection, Vermont is staring down a harvest crisis:

- A. If the harvest is not conducted, we will miss much or all of the next construction season.
 - B. If the harvest is incomplete, some areas will have no chance of seeing progress next construction season
 - C. Pole Harvest season ends in mid-November
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Reaping Poles the Modern Way



ECFiber has identified a way to accomplish this harvest:

- A. By using highly sophisticated, very expensive, mobile data collection units to collect roadside pole data.
 - B. Deployment of 5 highly trained field collectors who will be supplied with state-of-the-art tech to walk “easement” areas (typically through woods).
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Harvesting Costs



A. In order to harvest the roadside pole data, we must rapidly mobilize at least \$1.05 million

Why: It is not economical to deploy the mobile data collection equipment on short notice, with a short window of good weather, unless at least 50,000 poles are targeted for collection. Each pole costs \$21. So $50k \times 21 = 1.05mm$

B. In order to harvest the easement pole data, we must rapidly mobilize at least \$315,000

A. Why: It is not economical to deploy the manual data collection personnel and equipment on short notice, with a short window of good weather, unless at least 15,000 poles are targeted for collection. $15k \times 21 = 315K$

The Risk



The risk to the State is essentially zero.

The cost of collecting pole data is a cost that would in normal circumstances be covered by revenue-backed municipal bonds issued by the CUDs.

By the time any 'claw back' of CARES funds occurs, CUDs will be operational and able to fold the amounts into their next bond issuance.

Implementation Steps



1. Any given municipality will have X number of poles that can be collected using the mobile approach and Y that can be collected using the manual approach.
 2. CUDs will identify towns for which design work will be done during Jan – Mar 2021.
 3. Once 50,000 “mobile” poles have been identified for collection, a down payment of \$350,000 toward the work will be made by ECFiber and resources will be mobilized.
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Implementation Steps



4. Once 15,000 “manual” poles have been identified for collection, the 5 collectors and their related equipment and software will be mobilized.
5. Pole data collection will proceed, with poles collected available to CUDs periodically (likely weekly). Payments of \$21 per pole will be made by ECFiber.
6. Vermont will pay ECFiber directly or will provide grants to CUDs to pay ECFiber from CARES \$

Example Scenario: CUDs except Central VT, Catamount, and Deerfield Valley survey all member towns



Row Labels	numPremises	rdMiles	Mobile Poles	Manual Poles	Total Poles	Pole Harvest Cost
ECFiber	7,552	465	6,359	3,229	9,588	\$201,348
NEKBroadband	26,101	1,750	22,445	12,978	35,423	\$743,883
NWFiber	8,786	468	6,134	3,226	9,360	\$196,560
AddisonFiber	10,097	485	10,960	5,985	16,945	\$355,845
LamoilleFiberNet	8,334	411	3,100	2,005	5,105	\$107,205
OCFiber	2,638	123	2,506	1,889	4,395	\$92,295
Grand Total	63,508	3,701	51,504	29,312	80,816	\$1,697,136

Note: Pole data in Vermont is incomplete. Pole counts are a mixture of actual pole counts and estimates based on ECFiber's experience in areas with undocumented pole counts.

The Ask



The state approves an appropriation or grant or loan of up to \$3 million for the collection of pole data needed by CUDs.

This would allow for the collection of up to 142,857 poles. There are approximately 205,000 poles in CUD towns and related 'study area' towns that are likely future CUD members.

Given time constraints it is likely the maximum number of poles collectible this season is somewhere in the 120k area, or \$2.5mm

About ECFiber



**East Central Vermont
Communications Union District**

“Community Owned, Locally Supported”

Our Mission:

Bring state-of-the-art, “future-proof” connectivity to ***ALL*** homes, businesses, and civic institutions in our 30 member towns.

ECFiber is Vermont's *first*
Communications Union District



*Laying the infrastructure
for a world
that is coming
faster than we expected*

Questions?

Contacts: F. X. Flinn, Chair,
East Central Vermont Telecommunications District Governing Board
Chair@ECFiber.net
