

VCUDA

The Vermont Communications Union Districts Association serves to unite the interests of Vermont's municipal internet networks, devising ways to share resources and voicing CUD consensus on critical policy issues.

March 20, 2024

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About the Communications Union Districts

- CUDs are independent governments created under 30 VSA 82 by Town Meeting votes of two or more towns and may admit additional member towns if Selectboards request and CUD board approves.
- A CUD is a special-purpose municipality whose legislative body consists of one voting representative per member town, appointed by the town.
- **CUDs cannot obligate member towns in any manner.**
- **CUDs cannot obligate citizens within its District in any manner.**
- **CUDs have no taxing power.**
- CUDs were created so ECFiber could access the municipal revenue bond market.
- CUDs are now being used to funnel federal grant funds into building out broadband.
- Goal is to bring broadband to every home and business in the state.
- ECFiber finished its original 23 town mission in 2023, incurring \$70 million debt in the form of municipal revenue bonds over a 12-year period.

Communications union districts (CUDs) were created ... to coordinate and implement creative and innovative solutions in their respective territories, particularly where existing providers are not providing adequate service that meets the needs of their residents and businesses ...

Vermont Act 71 2021
Findings and Intent (13)

CUDs are Mission-Driven.

Vermont Communications Union Districts

CUD Governing Boards consist of 1 voting delegate per town (red #) plus alternates
CUDs do not have meeting spaces, have large boards, and cover large geographic areas



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Chittenden County CUD
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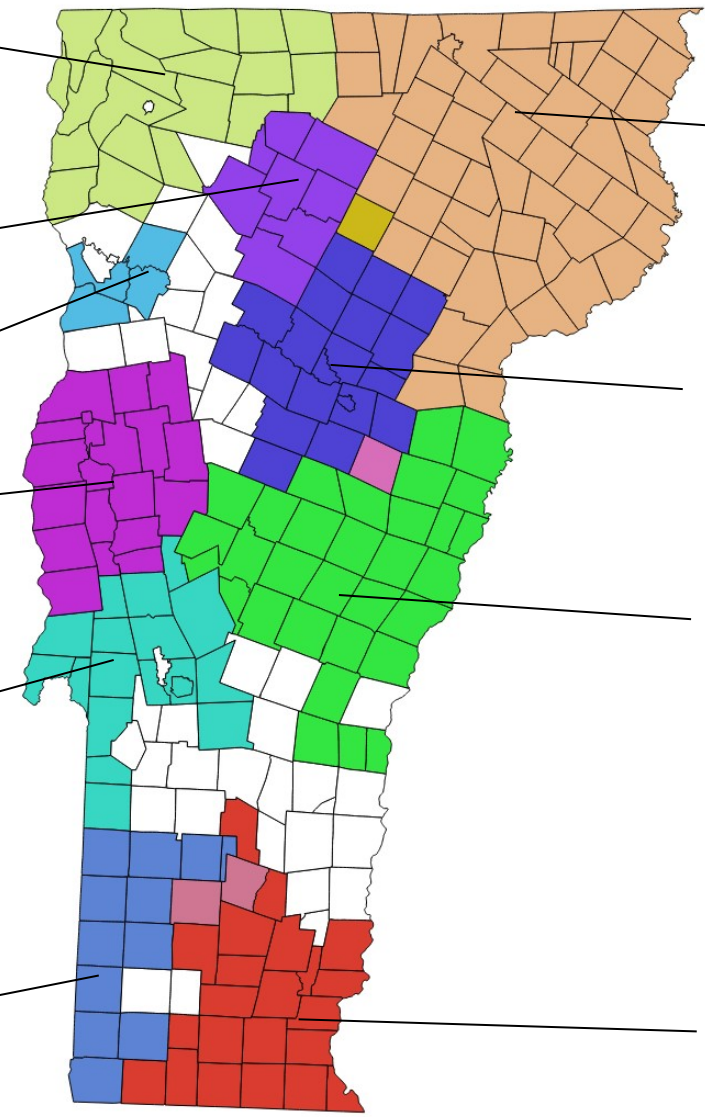
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S.199 Modifications to 30 VSA 82

- ❖ allow CUDs to specify in their bylaws:
 - ❖ Annual meeting date
 - ❖ Fiscal year
 - ❖ Budget warning, public hearing, and adoption timing
- ❖ allow Treasurers to delegate duties with board approval or through by-laws
- ❖ Further defines the reach of the public records exemption 1 VSA 317(c)(9) “confidential business information” of CUDs to include operational records of operating partner and District deployment plans

S.199 Addition to 30 VSA 82

- ❖ Adds CUD-specific merger process
 - ❖ **Two existing options both cumbersome**
 - ❖ *One: CUD member towns of A apply to join B. CUD A then transfers assets to B and disbands.*
 - ❖ Requires action by every selectboard
 - ❖ *Two: Use municipal merger law.*
 - ❖ Requires voting in each and every member town of both CUDS

CUD Merger Process

1. A Preliminary Plan of Merger is developed by the Districts that want to merge
2. Preliminary Plan is approved by 3/4 vote of each Governing Board
3. Public Hearing is warned in each District
4. Public Hearing is conducted in each District
5. Districts appoint a joint committee to prepare Final Plan of Merger
6. Final Plan is approved by 2/3 vote of each Governing Board
7. Merger proceeds