

A Plan for the Establishment of the Division for Connectivity December 15, 2014

Introduction

At the end of 2013, 99% of E-911 locations in Vermont had the availability of high-speed Internet access with the remaining one percent having a funded solution in place. This accomplishment was the result of unprecedented investment in information technology infrastructure by the State of Vermont and the federal government. In 2014, Act 190 established the Connectivity Initiative to continue efforts to expand and enhance broadband service. As part of the Connectivity Initiative, the legislation calls for the completion of the mission of the Vermont Telecommunications Authority (VTA) and the creation of a Division for Connectivity.¹ The legislation places this new Division within the control of the Secretary of Administration and is intended to be a continuation of, and successor in interest to, the VTA. The VTA will enter a period of dormancy beginning July 1, 2015.²

Act 190 also created a Connectivity Fund, which is designed to support two programs. The first program is a high cost support program for rural broadband providers. The fund also supports the Connectivity Initiative. Specifically, the fund is designed to support the deployment of technology that is capable of delivering broadband service of speeds of at least 4 Mbps download and 1 Mbps upload (4/1) to each service location.³ With this money, the Department of Public Service is directed to solicit proposals to serve locations deemed “unserved” at 4/1.

This report describes the process for transitioning from the VTA to the Division for Connectivity. Act 190 directs the Secretary of Administration to draft a report “assessing all aspects of the Division for Connectivity . . . including its duties, functions, objectives, and agency location within the Executive Branch.”⁴ The legislation also calls for proposals “regarding the establishment of a new telecommunications advisory board, which could be modeled after the VTA Board of Directors and may include a proposal for transferring the existing VTA Board members to such board.”⁵ This report recommends the establishment of the Division for Connectivity and a telecommunications advisory board.

The Division for Connectivity

Act 190 shifts the role of government from a model whereby an instrumentality of the state builds, owns, and controls telecommunications infrastructure to one where the state provides grant funded support for the deployment of broadband capable infrastructure by private and community based broadband providers in areas where market forces alone will not ensure

¹ 3 V.S.A. § 2225

² 30 V.S.A. § 8060(a).

³ 30 V.S.A. § 7516.

⁴ 2014 Acts and Resolves No. 190, Sec. 25.

⁵ Id.

adequate broadband Internet access service. The Division for Connectivity will act as a vehicle for this new model. The purpose of the division is to promote:

1. access to affordable broadband service to all residences and businesses in all regions of the State, to be achieved in a manner that is consistent with the State Telecommunications Plan
2. universal availability of mobile telecommunication services, including voice and high-speed data along roadways, and near universal availability statewide
3. investment in telecommunications infrastructure in the State that creates or completes the network for service providers to create last-mile connection to the home or business and supports the best available and economically feasible service capabilities
4. the continuous upgrading of telecommunications and broadband infrastructure in all areas of the State is to reflect the rapid evolution in the capabilities of available mobile telecommunications and broadband technologies, and in the capabilities of mobile telecommunications and broadband services needed by persons, businesses, and institutions in the State
5. the most efficient use of both public and private resources through State policies by encouraging the development of open access telecommunications infrastructure that can be shared by multiple service providers.⁶

Act 190 describes the specific duties of the Division.⁷ Of those duties, it is incumbent upon the Division to coordinate telecommunications initiatives among Executive Branch agencies, departments and offices. For this reason, this report calls for the division to be housed within the Department of Public Service (DPS). After careful consideration of the alternatives, including the Agency of Commerce and Community Development and the Department of Information and Innovation, it became apparent that the Division for Connectivity would most benefit from being placed under the aegis of a Department with Complimentary expertise.

DPS has a Telecommunications Division with knowledge and expertise in telecommunications regulation and policy. Specifically, DPS has one Telecommunications director, two telecommunications infrastructure specialists, a telecommunications lawyer, and additional support staff that will be able to assist the Division for Connectivity with its mission. DPS also has a role in the implementation of Act 190. DPS will lead the state's broadband mapping efforts, identify areas that need to be served, and will issue requests for proposals for infrastructure projects. Because the Telecommunications and Connectivity Divisions as contemplated by statute both have a role in the implementation of Act 190, placing the Division for Connectivity within DPS will enable the Division to better coordinate the broadband efforts of the other state agencies. This will enable both DPS and the Division for Connectivity to carry out the directives of Act 190 as efficiently and effectively as possible. It is proposed that a new "Division of Telecommunications and Connectivity" be established within the Department that will execute the duties contemplated by Act 190.

Responsibilities and Duties:

⁶ 3 V.S.A. § 2225(b).

⁷ See 3 V.S.A. 2225(c).

A staff of four people will be required to implement the responsibilities of the Division described in Act 190. The Director of Telecommunications will become the Executive Director of Telecommunications and Connectivity, and will, on a daily basis, report to the Commissioner of Public Service and lead the Division.

Specifically, the **Executive Director** will be responsible for:

- Leading the State's outreach efforts to promote Vermont as a place for additional investment, including marketing state-owned sites that are suitable for telecommunications providers.
- Working with existing providers to help clear obstacles to support new investment
- Assist providers that seek funding through the Connectivity Fund
- Improving the process for licensing state-owned sites
- Coordinate all Executive Branch telecommunications initiatives
- Act as a single point of contact for carriers and providers outside of the regulatory realm
- Oversee the management and disposition of state owned fiber assets via contractor or in partnership with BGS
- Develop plans and strategies for new broadband or cellular network developments.

In addition to the Executive Director, the division will be supported by three staff:

The **Broadband Development Coordinator** will be responsible for leadership and facilitation of the development of telecommunications infrastructure projects in the state. The position will work with the Connectivity Initiative and will be responsible for tracking broadband actions; serving as a clearinghouse for information on broadband access in Vermont; promoting collaboration and communication between VT PSD and other state agencies involved in broadband infrastructure development and permitting; and assisting with the resolution of barriers to the development of responsibly implemented broadband infrastructure. The BDC will report directly to the Executive Director of Division of Telecommunications and Connectivity. The job specifications are crafted following the Renewable Energy Development Manager position, job code 490400, pay grade 27. The job duties will be as follows:

- Provide assistance to those who desire to develop broadband infrastructure projects with the regulatory process.
- Develop programs to provide communities with assistance with broadband development
- Improve communications between business, government, and citizens in relation to project proposals and their regulatory requirements
- Harmonize regulatory processes across state government
- Establish formal protocols between state agencies and departments so that there is transparency to providers and stakeholders in how the regulators communicate amongst themselves.
- Assist providers and other stakeholders with the grant application process

- Identify, and apply for, grant opportunities open to the Division of Telecommunications and Connectivity
- Assist the Public Service Department with identification and development of opportunities for broadband infrastructure projects throughout the state
- Oversee and Coordinate the dissemination of broadband information needed by businesses and citizens.
- Conduct outreach to increase awareness and interest in broadband development
- Create and maintain a web presence for the Division of Connectivity

The **GIS Project Supervisor** will have the following primary responsibilities:

- Compile broadband availability information
- Maintain a website to depict broadband specific data and areas eligible for Connectivity Fund projects
- Compile data and maps for the Division for Connectivity annual report

The job specifications are crafted following GIS Project Supervisor, job code 464000, pay grade 24, with the specific job duties as follows:

- Develop a wide variety of Geographic Information System (GIS) applications and data sets for use by agency and departmental level program staff, including components such database structures, data entry forms, queries, interactive maps, and system interfaces (import/export).
- Configure and operationally optimize equipment such as staff workstations in order to allow the proper execution of and access to the GIS applications and datasets.
- Train program staff in the use of existing GIS applications as well as in the development of new, limited scope applications and tools. Assist in the development of yearly IT budget estimates and expenditure plans.
- Analyze and document GIS requirements gathered from program staff and management.
- Research technical solution options including current and evolving database systems and programming languages, GIS standards, server platforms, client-server and web-based approaches.
- Perform informal cost/benefit analyses. Consult with other IT or program staff and make technical solution recommendations to application development or other section supervisor.
- Design, develop, test, debug, document, deploy, and maintain GIS applications and datasets.

- Work independently or in coordination with other IT or other technical support staff, test configurational parameters and system response times using representative sample datasets.
- Work one-on-one, in small groups or in a computer classroom setting, using materials and documentation custom developed for instructional purposes.
- Help assess the current GIS application development environment as well as associated technology gaps, in the context of providing technical solutions that will satisfy program needs.
- Define programmatic gaps by talking with program staff. Prioritize suggested work tasks and make recommendations to the application development or other section supervisor. Assist business or work units in achieving strategic business goals and outcomes through the use of GIS-based tools to ensure the GIS applications will provide the expected operational and reliability requirements set by the IT or other Division and expected by program staff.
- Ensure the effective and efficient use of the computer-based tool by program staff. Use appropriated IT GIS and other equipment funds in an efficient and cost-effective way.
- Performs related duties as required.

The **Contract Administrator** will have two primary responsibilities:

- Manage any legacy contracts that will be transferred from the VTA as well as oversee the asset contracts, if necessary.
- Administer all Connectivity Fund awards

The job specifications are crafted following the Financial Manager I, job code 089080, pay grade 25, with the specific job duties as follows:

- Budget development for major programs, an office or moderate sized department, or assists with budget development in a larger department.
- May serve as the budget officer or analyst for a large and complex budget.
- Prepare monthly financial reports. Responsible for department level internal control systems.
- Perform cost analysis. Supervises posting, balancing and reconciling accounting records.
- Direct the input of financial data into computerized systems.
- Prepare financial statements, summaries and reports for review.
- Prepare agency or department accounting and financial records.
- Prepare payroll and personnel related documents.

- Maintain agency records and filing systems.
- Supervise the preparation and certification of agency payrolls.
- May supervise a staff of employees in the maintenance of accounting and financial records such as budgeting, payroll and auditing.
- Perform functional supervision over two or more complex accounting activities such as: compilation and analysis of complex data for federal reports, reconciliation of benefits accounts, processing payment for contractual services requiring utilization of cost distribution formulas, coordination systems for multiple offices or departments, analysis of accounting initiatives.
- Analyze and distribute multi-program costs to appropriate funds.
- Track expenditures through electronic systems. Prepares journal vouchers for the transfer of funds. Serves as the liaison with federal agencies, other state departments, or local community partners.
- In the area of federal grants, may: develop and implement financial guidelines for state programs; provide guidance and assistance in the grant process; monitor grants, prepare and submit financial reports, sub-recipient monitoring.
- Performs related duties as assigned

Telecommunications Advisory Board

This report recommends the establishment of a telecommunications advisory board. The Board would have advisory input over Connectivity Initiative proposals and could resemble a similar makeup to that of the Clean Energy Development Fund Board. To help with transition, preference would be made to appointing current members of the VTA Board of Directors to this new advisory board.

As part of the transition planning, the Administration has been working closely with VTA leadership on asset transfer. The VTA has constructed and acquired fiber, purchased equipment related to the CoverageCo project, owns a cell tower in Bethel and other, smaller items. Additionally, the VTA has lease agreements with several providers. At this time, we are contemplating where these assets will be managed and housed. The Department of Buildings and General Services, the Department of Information and Innovation and the Department of Public Safety are all possible recipients of these assets and ongoing conversations are underway. We are also working closely with the VTA on a Request for Information that they recently issued seeking a company (or some other entity) that can manage the fiber assets that are presently owned.

Conclusion

Act 190 enabled the creation of the Division for Connectivity and a telecommunications advisory board. This report recommends that the State of Vermont move forward with these two entities in accordance with this plan. The Division should be housed with PSD, where it can take

advantage of the Department's complimentary experience, as a new Division of Telecommunications and Connectivity. This report recommends the Division be made up of the existing telecommunications staff with a single Executive Director for Telecommunications and Connectivity, plus three employees serving in the connectivity role contemplated by Act 190, including a broadband development coordinator, a GIS project supervisor and a contract administrator. This report also recommends the establishment of a telecommunications advisory board, which would have advisory input over the Connectivity Initiative and could include a preference for existing members of the VTA Board of Directors.