

From: [Bonnie Waninger](#)
To: [Bruce Johnson](#); [Grace Vinson](#)
Cc: [Bonnie Waninger](#)
Subject: RE: ARPA Final Municipal Allocations
Date: Thursday, August 26, 2021 5:31:02 PM

Agreed on flying blind. I wish I could tell you that there is a good way to gain access to ARPA knowledge. Whether its VLCT, RPCs, the State, or the Congressional delegation, we are all flying blind because the plane is being built while everyone's trying to fly it. In the case of the CUDs, VLCT did reach out for a copy of a proposed agreement and requested the Dept. of Public Service assist without success, so RPCs agreed to have regional conversations. "Go slow and be deliberate" is the best we can offer until the Treasury guidance is released and interpreted.

You are welcome to reach out to Grace or me anytime the Town has questions, and to Katie Buckley at VLCT as well. The roles division created by the Legislature is VLCT for overall ARPA guidance and training, and RPCs for assistance with project eligibility and prioritization. The lines blur quickly, and the organizations are meeting weekly to share questions and the flow of municipal discussions. We also meet jointly with municipalities if that's helpful. I've read a number of CFRs myself over the years and participated in national trainings to keep CVRPC on track. I'm happy to assist if you have questions for which I might have answers.

Two cautionary notes...

- I have heard at least one person phrase the use of town ARPA funds for regional broadband as a "cash flow issue". Broadband is an eligible use of ARPA funds; cash flow is not. We are urging language caution so there are no questions about eligibility.
- In the eyes of the federal government, the Town can't transfer the Town's APRA responsibilities to another organization. Paperwork will not change the federal government's position that the Town is responsible if repayment of funds is required. The legal paperwork would allow the Town to pursue the other organization. An organization without cash cannot repay what it doesn't have. Rob's likely said this too. It's trust with a paper chaser.

Good luck moving forward with broadband. We have been providing CVFiber with meeting support for several months. It's single-minded focus will benefit broadband buildout, and they have a solid core of Board members will skills.

Bonnie

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CVRPC offices are closed to visitors, and we are working remotely. Please call or email, and we will respond as soon as possible. Thank you.

From: Bruce Johnson [mailto:manager@eastmontpeliervt.org]
Sent: Thursday, August 26, 2021 10:39 AM
To: Bonnie Waninger <waninger@cvregion.com>; Grace Vinson <vinson@cvregion.com>
Subject: RE: ARPA Final Municipal Allocations

Hi Bonnie:

This is incredibly welcome information – thank you.

I remain puzzled as to the best way to gain access to this type of knowledge. I just took a flyer on reaching out to Grace. It would seem that VLCT should be putting out guidance on specific topics like this one – it's not like it's a secret that towns are receiving "requests" (cold calls, emails, etc.) from utilities and CVFiber (and other CUDs) regarding potential allocations of the ARPA funds for broadband projects. As I noted, CVFiber is really pulling the heartstrings ("we can have all the underserved in EM wired by next year, but we need \$\$ now") and we want to support that effort. Rob Halpert and I had read all the available Dept. of Treasury and state/VLCT FAQs (even dabbled in the relevant CFRs, which isn't for the faint of heart) – it was reasonably clear that we'd be treading on thin (or no) ice if we went forward with an agreement at this time.

The issue you highlighted regarding the benefit to the specific town was one of the many concerns Rob raised as he was trying to solve the riddle of the full transfer of money and responsibility, rather than have CVFiber be essentially a sub-recipient with the town still squarely in the crosshairs.

Again, thank you – flying blind is never fun.

Bruce

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From: Bonnie Waninger <waninger@cvregion.com>
Sent: Thursday, August 26, 2021 9:48 AM
To: Bruce Johnson <manager@eastmontpeliervt.org>; Grace Vinson <vinson@cvregion.com>
Cc: Bonnie Waninger <waninger@cvregion.com>
Subject: RE: ARPA Final Municipal Allocations

Thank you for the update, Bruce. This is an issue the RPCs, VLCT and the State are following statewide. The advice from both organizations and the State is to wait to sign any agreement at least until the final Treasury guidance is released. The earliest we anticipate it will be released is late fall based on information from our Congressional delegation.

In addition to the issue noted in your email, it is unclear federally whether this type of agreement must result in broadband improvements in the municipality that shares its funding. The basic question is, “Can the CUD pool funding from various municipalities to provide service outside the municipality (no or limited in-town service benefit). The draft rule didn’t address this question. By waiting for the final ARPA guidance, a municipality can help ensure it doesn’t sign an agreement that doesn’t meet that guidance.

I spoke with the CVFiber Executive Committee earlier this month. They understand that CVRPC, VLCT, and the State are advising municipalities not to sign any pass-through agreements yet. I’ve requested, and CVFiber has agreed to share the draft agreement once the first bugs are worked out. VLCT and the

State are interested in vetting the agreement.

Bonnie

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CVRPC offices are closed to visitors, and we are working remotely. Please call or email, and we will respond as soon as possible. Thank you.

From: Bruce Johnson [<mailto:manager@eastmontpeliervt.org>]
Sent: Wednesday, August 25, 2021 11:39 AM
To: Grace Vinson <vinson@cvregion.com>
Cc: Bonnie Waninger <waninger@cvregion.com>
Subject: RE: ARPA Final Municipal Allocations

Hi Grace (& Bonnie):

Thank you for sending this along.

East Montpelier, Middlesex and potentially other local towns are working with Attorney Rob Halpert to funnel ARPA funds to CVFiber, sooner rather than later as CVFiber, likely in line for significant grant funding on its own in the near future, needs seed money now to get things moving forward. As usual, the intricacies of Vermont governance eludes the clear paths laid out under federal rules, making less than clear the legality of a clean (i.e., money and responsibility) transfer of ARPA monies to CVFiber. There is no question that the purpose for the funding is allowed (fiber broadband for all!), but the questionable inability to transfer responsibility (essentially to evade the risk of possible claw back from the town in the event of a failure of CVFiber to accomplish its mission) is causing trouble. If you happen to hear of developments relevant to this issue, please pass along the info.

Any insights will be greatly appreciated,

Bruce

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From: Grace Vinson <vinson@cvregion.com>
Sent: Tuesday, August 24, 2021 3:14 PM
Cc: Grace Vinson <vinson@cvregion.com>; Bonnie Waninger <waninger@cvregion.com>
Subject: ARPA Final Municipal Allocations

Good afternoon,

Last week, the State published the final allocations for the municipal and County ARPA funds. They can be found [HERE](#) (scroll down to “Local Fiscal Recovery Payments”) and in the attached PDF. This money will arrive in bank accounts by Labor Day (municipalities that receive their payments by paper check will follow soon thereafter based on USPS delivery). The state previously disbursed the first payment (“NEU Payment 1” as shown in the attached table) on August 9.

VLCT has published additional FAQs on their ARPA webpage here:
<https://www.vlct.org/resources/american-rescue-plan-information> (also attaching this as a PDF).

We continue to encourage municipalities to seek public input and collaboration on brainstorming potential uses of their ARPA funding. Please reach out to me (vinson@cvregion.com) with questions about ARPA or eligible uses. I am also available to meet with you at your request.

Thank you,
Grace