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March 7, 2023

Matthew Plache
Carroll County Communications District Planning Committee
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Re: District Agreement and Bylaws for the Carroll County Communications District

Dear Matt:

Our meeting with you, Linda Mailhot, Chuck Fuller, Rick Highland, was very helpful and we appreciate the opportunity to discuss the Carroll County Communications District Agreement and Bylaws. As we explained, this is the first communications district agreement that our Office reviewed so there were some challenges. Please be advised that, pursuant to RSA 53-G:2, V, this Office approves the enclosed District Agreement and Bylaws for the Carroll County Communications District ("CCCD").

The purpose of our meeting was to agree to satisfactory language that addressed the concerns raised in our letter dated March 3, 2023. We appreciate the detailed discussions and collaborative effort to arrive at changes to the Agreement Without recounting every discrete change that was discussed, the changes consisted primarily of the following:

- The word "State" appearing in Section 4 of the agreement would no longer be capitalized in order to clarify that the CCCD is not an entity of the State executive branch;
- Language was added to Section 5 to clarify that the CCCD will not own assets, be an operator, or be an internet service provider;
- Changes were made to Section 6 to clarify how the CCCD will handle debt;
- A new Section 31 was added clarifying how member agreements will operate;
- Sections referencing member agreements would include a citation to the new Section 31 for clarity; and
- New Section 32 included language stating that Carroll County has no financial responsibility for any obligations of the CCCD

District Agreement and Bylaws for the Carroll County Communications District, Approval
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After reviewing the revised Agreement, we are satisfied that all the changes that we discussed in detail have been made. Therefore, this Office approves the enclosed District Agreement and Bylaws for the Carroll County Communications District.

We thank you for your patience in this process and we appreciate the hard work that you have done on this project.

Sincerely,



Matthew G. Conley

Attorney

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MGC/mgc

cc: Albany Board of Selectmen
Bartlett Board of Selectmen
Brookfield Board of Selectmen
Chatham Board of Selectmen
Conway Board of Selectmen
Eaton Board of Selectmen
Effingham Board of Selectmen
Freedom Board of Selectmen
Carroll County Commissioners
Hart's Location Board of Selectmen
Jackson Board of Selectmen
Madison Board of Selectmen
Moultonborough Board of Selectmen
Ossipee Board of Selectmen
Tamworth Board of Selectmen
Tuftonboro Board of Selectmen

**DISTRICT AGREEMENT
AND BYLAWS
for the
CARROLL COUNTY COMMUNICATIONS DISTRICT**

WHEREAS, the CARROLL COUNTY COMMUNICATIONS DISTRICT PLANNING COMMITTEE (the “Planning Committee” or “CCCDPC”) was established in March 2022 in accordance with RSA 53-G:2; and

WHEREAS, the Planning Committee determined the advisability of establishing a Communications District among the participating municipalities listed in Appendix A.

NOW THEREFORE IT IS AGREED:

SECTION 1. COMMUNICATIONS DISTRICT ESTABLISHED: A Communications District is hereby established pursuant to NH RSA 53-G. The Communications District shall be known as the Carroll County Communications District (hereafter, the “District” or “CCCD”).

SECTION 2. PURPOSE: CCCD shall encourage, facilitate and promote the establishment of state-of-the-art symmetrical high speed broadband internet connectivity and service to every residence and business within Carroll County, NH, working cooperatively or in partnership with existing internet service providers through formal or informal agreement when possible.

SECTION 3. DISTRICT MEMBERS: Each of the municipalities listed in Appendix A whose respective legislative body votes by simple majority at their respective 2023 Annual Town Meeting in accordance with RSA 53-G:4 to accept the provisions of RSA 53-G and of this Agreement, shall be a Member of the District (“Member Town”), each such vote to be certified by the Clerk of such municipality. Affirmative votes by the legislative bodies of two or more of the municipalities listed on Appendix A shall be sufficient to establish the District, providing only those municipalities whose legislative bodies vote affirmatively shall be Member Towns.

SECTION 4. POWERS: CCCD shall be and function as a separate and distinct body politic and public instrumentality of the state for carrying out a public purpose and an essential government function with all of the powers granted to a Communications District under RSA 53-G: 5, subject to the limitations in this Agreement.

SECTION 5. LIMITATIONS:

- A. The District shall not incur debt that obligates any Member Town or citizen thereof to make payment thereon. Nor shall the District raise revenue from any individual Member Town except in the form of a voluntary contribution by such Member Town. The District shall have no authority to raise revenue by taxation upon any Member Town or citizen thereof. No Member shall have any obligation to the District for providing services or in-kind or monetary contributions or for allowing use of or access to real property, except by written agreement entered between such Member and the District in accordance with Section 31.
- B. The District shall not own equipment, buildings, real estate, or network infrastructure, shall not have employees, and shall not be a system operator or an internet service provider.
- C. Any substantial modification or amendment of the limitations in paragraphs A or B must be done in accordance with Section 28.

SECTION 6. FUNDING SOURCES: The District may raise and accept funding from: federal, state, regional broadband and economic development grants or loans, revenue bonds, private investment, subscriber fees, system revenues, network operations, contributions and revenues, all pursuant to contractual agreement, Member contributions, and other sources permitted by law, subject to the limitations set forth in Section 5. Acceptance of funding shall require a simple majority vote of the Governing Board, except a 2/3 majority vote of the Governing Board shall be required for raising funds through loans, bonds or indebtedness of the District.

SECTION 7. GOVERNING BOARD: The powers and authority of the CCCD hereunder are vested in the CCCD Governing Board, which shall oversee and control the activities and affairs of the CCCD and be responsible for carrying out the business of the District to achieve its purposes. The CCCD Governing Board shall be composed of Representatives appointed by the Select Boards of the Member Towns. The Select Board of each Member Town shall appoint one Representative, and one Alternate who shall act as the Member's Representative in the absence of the Member's designated Representative. Each such duly appointed Representative and each such Alternate shall become a member or Alternate member of the Governing Board by presenting a letter of appointment from his or her respective Town Select Board effective upon notification of the appointment being received by the CCCD Secretary.

SECTION 8. MEETINGS: The Governing Board shall hold its annual meeting on the second Wednesday of October. During the annual meeting the Board shall review the annual report for the preceding year, approve an operating budget for the current fiscal year, elect officers, and conduct such other business as may be brought to the Board's attention by Members. In addition, the Board shall establish a schedule of regular meetings of the Board.

SECTION 9. SPECIAL MEETINGS: Special meetings of the Board may be called at any time by the Chair or Vice-Chair, or shall be called by the Secretary upon written request of members of the Board representing a majority of the Member Towns. Except in case of emergency, each member of the Board shall be given at least 24-hour prior notice of any special meeting in accordance with the Right to Know Law, RSA 91-A.

SECTION 10. QUORUM: For the purpose of transacting business, the presence in person of Representatives representing more than fifty percent (50%) of the Member Towns, shall constitute a quorum. In person attendance at meetings is not required and members may attend meetings by electronic communications, providing a quorum is present in person in accordance with the requirements of RSA 91-A.

SECTION 11. RULES OF PROCEDURE: The Governing Board shall adopt Rules of Procedure for the conduct of its meetings.

SECTION 12. VOTING: On matters voted on by the Board, each Member Town shall be entitled to cast one vote by a Representative or Alternate present. Except as otherwise provided herein or by law, a simple majority of the votes cast shall be required to approve any action.

SECTION 13. TERMS OF OFFICE: Representatives to the Governing Board shall be appointed by the Member Town Select Boards to serve for one year, or until his or her successor is duly appointed. Executive Committee members shall serve for two years, or until his or her successor is duly elected, and may serve successive terms.

SECTION 14. OFFICERS: There shall be a Chair, Vice-Chair, Secretary and Treasurer, and such other officers as the Governing board shall designate. Officers shall serve two year terms and shall be elected biannually by the Governing Board during its annual meeting from among its Member Representatives.

SECTION 15. CHAIR: The Chair shall preside at meetings of the Board and shall perform the duties incumbent to the position and office.

SECTION 16. VICE CHAIR: During the temporary absence or inability of the Chair to perform his or her duties, the Vice Chair shall perform such duties. If the vacancy becomes permanent due to death, disability, resignation or removal, the Vice Chair shall serve as acting Chair until the vacancy is filled.

SECTION 17. SECRETARY: The Secretary will serve as the Clerk of the District, shall keep minutes of meetings of the Governing Board and of the Executive Committee, shall be responsible for sending notices to Members, and shall maintain and be the custodian for all records and minutes of the District, the Governing Board and the Executive Committee.

SECTION 18. TREASURER: The Treasurer shall have the custody of funds of the District, shall be the disbursing officer of the District, and shall be bonded in accordance with applicable law. The signatures of two Officers, including the Treasurer, shall be required on checks for the disbursement of funds, providing no funds shall be disbursed without prior approval of the Governing Board.

SECTION 19. EXECUTIVE COMMITTEE: The Executive Committee shall be made up of the Officers. The Executive Committee shall perform duties as assigned or delegated by the Governing Board. Vacancies on the Executive Committee shall be filled as soon as practicable by the Governing Board.

SECTION 20. RECORDS: All meetings of the Governing Board and Executive Committee shall be noticed and conducted and records thereof and of the District made available to the public in accordance with RSA 91-A.

SECTION 21. AUDIT: The Governing Board shall cause an audit to be performed annually of CCCD accounts, revenues and expenditures, in accordance with the requirements of RSA 53-G:10.

SECTION 22. COMMITTEES: The Governing Board may choose to establish such committees as the Board may deem necessary for the purpose of advising the Governing Board. Membership in such committees is not limited to Board members.

SECTION 23. OPERATING BUDGET: The District shall operate on a fiscal year beginning on July 1 and ending on the following June 30. The Executive Committee shall annually prepare an operating budget, including revenues and expenses, to be presented for approval by the Governing Board at the annual meeting.

SECTION 24. REIMBURSEMENT OF OFFICERS: Officers and Member Representatives shall serve without compensation. Officers may be reimbursed for such expenses incurred in the discharge of their duties hereunder, providing the same are authorized by prior approval of the Governing Board in accordance with Rules of Procedure adopted by the Board.

SECTION 25. REMOVAL OF OFFICERS: Any member of the Executive Committee may be removed by a two-thirds vote of the Governing Board whenever, in its judgement, the best interest of CCCD will be served thereby.

SECTION 26. ADMISSION OF ADDITIONAL DISTRICT MEMBERS: The Governing Board, by a 2/3 majority vote, in accordance with the provisions of RSA 53-G:7, may authorize the admission of additional municipalities as District Member Towns, upon vote by the legislative body of any such municipality by simple majority vote to adopt the provisions of RSA 53-G and this District Agreement.

SECTION 27. MEMBER WITHDRAWAL: A District Member may withdraw as a Member Town of the District upon majority vote of the legislative body of such Member Town taken in accordance with RSA 53-G:8. The vote shall be certified by the Clerk of the municipality and presented to the Board. Thereafter, the Board shall give notice to the remaining District members of the vote to withdraw and shall hold a meeting to determine if it is in the best interest of the District to continue to exist. Representatives of the District members shall be given an opportunity to be heard at such meeting together with other interested persons. After such a meeting, the board may declare the District dissolved or it may declare that the District shall continue to exist despite the withdrawal of such member, providing a 2/3 majority vote shall be required to dissolve the district. The membership of the withdrawing municipality shall terminate after the vote to withdraw. The withdrawing Member shall have no continuing obligation to the District, nor shall the District have any continuing obligation to such Member, except in accordance with written agreement entered between such member and the District in accordance with Section 31.

SECTION 28. AMENDMENT OF AGREEMENT: This Agreement may be amended by a 2/3 majority vote of the Governing Board, except for Sections 5, 7 and 12 which shall only be amended by majority vote of the legislative bodies of 2/3 of the Member Towns.

SECTION 29. ANNUAL REPORT: Within 90 days of the close of each fiscal year the Governing Board shall cause to be prepared and published an annual report on the District's activities during the preceding year, including financial statements. The annual report shall be made available for review by the public, posted on the District's website, and an electronic copy delivered to each Member Town. A print copy of each annual report shall be kept at the District's main office address and available for public review during business hours.

SECTION 30. CONFLICTS OF INTEREST: The Governing Board shall adopt a conflict of interest policy, which shall be binding upon Governing Board members and all District Officers. No Representative or Alternate shall be employed by an Internet Service Provider.

SECTION 31. AGREEMENTS WITH MEMBERS: A Member Town and the District may enter into separate agreement to further the purposes hereunder, subject to the following:

- A. Any such agreement shall clearly set forth the purpose for which the agreement is entered, the duration and term of the agreement, rights and responsibilities of the parties under the agreement, any continuing rights and obligations of the parties upon withdrawal of the member from the District or upon dissolution of the District, and other terms as the parties may deem necessary.
- B. In the case of an agreement providing for such member to take on responsibility for any debt of the District, the agreement shall specifically set forth the amount of debt for which such member may be liable, the conditions under which such liability shall arise, and any obligations upon withdrawal of a member or upon dissolution.
- C. Similarly, in the case of an agreement by which a member agrees to make a monetary or in-kind contribution to the District or provide a service to the District, the agree-

ment shall specifically state the limits of such contributions and services and any continuing obligations upon withdrawal or dissolution.

SECTION 32. DISSOLUTION:

- A. The District may be dissolved by 2/3 majority vote of the Governing Board taken at a public meeting held for that purpose, that is duly noticed 15 days in advance, at which all Members have an opportunity to be heard along with other interested parties and members of the public, prior to the vote being taken.
- B. Upon dissolution, no member shall have any continuing rights or obligations or liabilities incident to activities of the District except in accordance with written agreements entered between such member and the District pursuant to Section 31.
- C. Upon dissolution, all remaining funds held by the District shall be distributed to Carroll County for use by the County in providing internet service assistance to low income residents of the County, except as may otherwise be required by contractual agreement, and any other assets shall be distributed as determined by the Governing Board to fulfill the purpose set forth in Section 2, subject to the requirements of any contractual agreement entered by the District. Carroll County shall have no financial responsibility for any of the obligations of the District.

SECTION 33. INDEMNIFICATION: The District hereby adopts the provisions of NH RSA 31:104, 31:105 and 31:106, and shall indemnify and save harmless from loss or damage to the maximum extent permissible pursuant to such provisions, all Representatives and Alternates. At its initial meeting the Governing Board shall adopt a written policy providing such indemnification.

SECTION 34. SEVERABILITY: If any term or provision of this Agreement shall be invalidated, such action shall not affect the balance of this Agreement.

DATE ADOPTED:

Secretary: Name _____

Signature_____

APPENDIX A: Member Towns

APPENDIX B: RSA 53-G

APPENDIX C: RSA 91-A

APPENDIX A

Carroll County Communications District Planning Committee
Participating Towns

Albany, NH
Bartlett, NH
Brookfield, NH
Chatham, NH
Conway, NH
Eaton, NH
Effingham, NH
Freedom, NH
Hales Location, NH
Hart's Location, NH
Jackson, NH
Madison, NH
Moultonborough, NH
Ossipee, NH
Tamworth, NH
Tuftonboro, NH