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Free Internet Expansion and \$250 Million in GARVEE Bonds Highlight PFA Board Meeting Updates

viNGN achieves 75% completion of core network upgrades, outlines plans for 175 new public access points, and expands broadband access to public housing as the Public Finance Authority approves \$250 million in GARVEE bonds for road infrastructure projects

Development / **Published On November 26, 2024 07:25 AM /**

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During the V.I. Public Finance Authority's Monday board meeting, significant updates were provided on infrastructure and broadband initiatives, including viNGN's report of 75 percent completion of its core network upgrade and the approval of \$250 million in GARVEE bonds to fund transportation projects. viNGN also detailed progress toward expanding free internet access, with plans to increase public Wi-Fi access points from 425 to 600 and provide free broadband to public housing residents receiving assistance.

Stephan Adams, viNGN's chief executive officer, spoke about an award under a digital equity capacity grant from the National Telecommunications and Information Administration that viNGN is expecting "within the next couple of weeks," which will enable the entity to support various broadband initiatives being spearheaded by sub-grantees.

Although Mr. Adams did not specify the value of that award, he did speak about another NTIA grant of up to \$2.5 million that viNGN has applied for that would – if awarded – go towards the purchase of three "STEM buses." These three buses would be "outfitted with STEM equipment and materials," according to Mr. Adams, and would "be in the community, at schools and various places for the public to be able to get exposed to STEM-related activities...we're really excited about that."

Mr. Adams also noted that viNGN has identified approximately \$300,000 in funds that are reimbursable by FEMA. "We're being very diligent about collecting all the monies that are out there still from FEMA," he told the PFA board. Of the seven FEMA projects currently being undertaken by viNGN, "we have them all now in the queue," Mr. Adams noted. "Three are done. Seven are in progress," he said. A new line of credit will help to "smooth out our cash flow," Mr. Adams said, enabling viNGN to embark on projects "that we might not have readily available cash on hand to be able to start," with reimbursement coming at later dates.

viNGN also intends to pursue wiring all housing under the aegis of the Housing Finance Authority with fiber optic lines. "We have fiber at all public housing, and now we want to be able to present that into all the Finance Authority housing," Mr. Adams said. The goal, he continued, was to have all residents in the territory who are receiving some type of public assistance "to be able to have free access to the internet." Mr. Adams noted that this initiative came from Governor Bryan, and indicated that "we're making good progress on that."

Currently, there are 425 access points that provide free internet access, and the plan is to have 600 online "very soon," Mr. Adams disclosed. With equipment, labor and bandwidth already pre-purchased, "we should be able to manage the bandwidth for wi-fi throughout the territory for the next five years.

In addition to expanding free broadband access, viNGN is upgrading its core network, a process Mr. Adams says is 75% completed. Once that happens, "everybody in the territory will feel that in a positive way," he told the PFA.

Work on reducing pricing for paying customers is also ongoing. A recent 40% reduction has prompted orders for a new 1GB service, said Mr. Adams, expressing optimism that more sales will be reported at the next PFA meeting.

Further discussion on viNGN matters was reserved for executive session, due to the sensitivity of the information being presented.

The Public Finance Authority also authorized the issuance of up to \$250 million in GARVEE bonds to fund key transportation projects on St. Thomas and St. Croix. Duane Morris, LLP was selected to act as legal, bond, and disclosure counsel for the bond issue.