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**STATEMENT OF MAYOR KISS**  
November 13, 2009

I'm pleased to announce today that the City has received a proposal to refinance Burlington Telecom which will enable BT to meet its current financing obligation to CitiCapital as well as its debit obligation to the City's pooled cash account. In addition, BT has done an analysis of cash flow projections and can expect to repay any future debits from the pooled cash account within 60 days.

The City has received a financing proposal for BT from the firm of PiperJaffray & Co., a financial company based in Minneapolis, Minnesota. As I mentioned, this proposal would meet both the current debt of \$33 million that BT has from CitiCapital, and the \$17.4 million that has been debited from the City's pooled cash account – which includes \$1 million in accounts receivable and \$1 million in escrowed funds with CitiCapital. If this proposal to secure financing is finalized and approved by the Board of Finance and City Council, we anticipate that it can be accomplished by February 1, 2010.

This proposal to secure financing is a major announcement. BT's ability to meet its current debt obligations is an indication of its strength as an enterprise. It also confirms that the use of pooled cash has not been, and is not, an increased risk to the taxpayers of Burlington. The financing proposal from PiperJaffray is not unexpected – it verifies what we have been saying for several weeks about BT's financial status and economic well-being.

Going forward, BT's ability to meet its operating expenses and repay any debits from the pooled cash account is also significant. BT's customer base and business plan is solid. BT continues to represent a tremendous asset to the City of Burlington that will only grow in the future.

The City is currently in the process of addressing BT's buildout obligations and use of pooled cash with the Public Service Board. This process before the PSB is the appropriate forum to address these issues. Today's news is welcome progress towards BT's future growth and ability to continue serving the people of Burlington with high-quality, state-of-the-art, and locally-based services.