

**Office of  
the Mayor  
Burlington,  
Vermont**



**Bob Kiss  
Mayor**  
Room 34, City Hall  
Burlington, VT 05401  
Tel: (802) 865-7272  
Fax: (802) 865-7270  
TDD: (802) 865-7142

**PRESS RELEASE  
FOR IMMEDIATE RELEASE**

Contact:

Joe Reinert  
Assistant to the Mayor  
865-7275

**STATEMENT OF MAYOR BOB KISS REGARDING BURLINGTON TELECOM**

December 8, 2010. At today's status conference the City had the opportunity to explain its plans for the future of Burlington Telecom to the Public Service Board in Montpelier. It should be made clear that the City is not in default on its Lease-Purchase agreement with CitiCapital. Any and all rental payments the City is obligated to make under the agreement have been made. The Lease-Purchase agreement has been terminated. In order to fulfill its obligations under the lease agreement, the City is making arrangements for the return of BT's equipment to CitiCapital in concert with the acquisition of replacement equipment to continue providing BT services. With its advisors Dorman & Fawcett, the City is in discussions with CitiCapital regarding the appropriate return of the equipment covered by the Lease agreement.

Dorman and Fawcett (D&F) is also in discussion with potential financial and strategic partners inside and outside Vermont in order to finance the acquisition of replacement equipment. An essential element of these discussions includes the potential for future repayment of BT's debit to the City's pooled cash account.

The City will come back to the Public Service Board with a plan for this transition that will eliminate or minimize any disruptions to service as these plans develop. The Board must approve any plan before it is implemented. These plans are part of the City's commitment to develop a successful cure for any CPG violations as specifically provided for by the law and the Board's most recent order. D&F will continue discussions toward completing plans to return equipment to CitiCapital and procure replacement equipment.

Throughout this process, BT has shown resilience consistent with its track record of high-quality services and hard-working staff. As interim managers of BT, Dorman & Fawcett have brought new efficiencies to BT's operations, with FY 2011 revenues remaining above prior-year levels. The City and BT appreciate the loyalty and support of its customers. BT customers and Burlington residents should know that the City is committed to preserving and enhancing the tremendous telecommunications and economic development asset we have in Burlington Telecom.