

**Southside Network Authority
Summary Minutes
January 13, 2023**

The January 13, 2023 meeting of the Southside Network Authority (SNA) was called to order by Steven DeBerry at 2:01 PM. Mr. DeBerry thanked everyone for their attendance and called the roll to determine meeting attendance.

Southside Network Authority Voting Members in Attendance:

Andria McClellan, Norfolk	Mimi Terry, Portsmouth**
Rosemary Wilson, Virginia Beach	Al Moor, Suffolk

Other Participants:

Steven DeBerry, SNA Executive Director	Laura Fitzpatrick, Alternate, Chesapeake
Peter Wallace, Alternate Virginia Beach	Mike Lockaby, Guynn, Waddell, Carroll & Lockaby, PC
Charles Kiriakou, Alternate, Suffolk	Matthew DeHaven, CTC Technology & Energy*
Catheryn Whitesell, Alternate, Norfolk	Robert Crum, Jr., HRPDC
Cliff Hayes, Alternate, Portsmouth	

Others Recorded Attending:

Ellen Bergren, Jay Krail, and Catherine Lindley (Chesapeake); Andrew Fox (Norfolk); Kelsey Swieringa (Portsmouth); Tom Mueller (Suffolk); Craig Black, Mike Danszceck, Ben Davenport, Noel Mitchell, Dan Nunn, Jay Smith, Terry Spitzer, and Jennifer Stanfield (GTS); and Rob Cofield, Simone Elmore, Matt Klepeisz, and Dmitry Rekhter (HRPDC Staff).

**Indicates attendance by electronic means*

***Indicates late arrival or early departure*

Mr. DeBerry noted the vacant spot for Chesapeake and welcomed Mimi Terry as the appointed voting member for Portsmouth.

Approval of the Agenda

Mr. DeBerry called for a motion to approve the agenda as presented. Andria McClellan Moved to approve the agenda; seconded by Rosemary Wilson. The Motion Carried.

Election of Officers

Mr. DeBerry referred to the Southside Network Bylaws, which state that each calendar year in January, officers for the roles of Chair, Vice-Chair, Secretary, and Treasurer need to be elected by the Authority members. He offered to continue serving in his current role as Secretary and Treasurer with the support of the Hampton Roads Planning District Commission (HRPDC). Mr. DeBerry opened the floor for nominations for the position of Chair. Ms. Wilson nominated Ms. McClellan to serve as the Chair of the Southside Network Authority. There were no other nominations. Mr. DeBerry called to vote to approve Ms. McClellan as Chair of the Southside Network Authority.

Roll Call Vote:

Ms. McClellan	Yes
Mr. Moor	Yes
Ms. Wilson	Yes
Ms. Fitzpatrick	Yes
Mr. Hayes	Yes

The Motion Carried.

Chair McClellan nominated Vice Mayor Rosemary Wilson to serve as Vice-Chair for the Southside Network Authority.

Mr. DeBerry asked for any other nominations. There were no other nominations. He called to vote.

*** Ms. Mimi Terry arrived.*

Roll Call Vote:

Ms. Terry	Yes
Mr. Moor	Yes
Ms. Wilson	Yes
Ms. McClellan	Yes
Ms. Fitzpatrick	Yes

The Motion Carried.

Chair McClellan mentioned she is looking forward to serving with everyone.

Chair McClellan continued with the election of Treasurer and Secretary and entertained a Motion to nominate Steven DeBerry to continue in this role. Mr. Moor Moved to appoint Mr. DeBerry as Secretary and Treasurer; seconded by Ms. Wilson.

Roll Call Vote:

Ms. McClellan	Yes
Ms. Terry	Yes
Mr. Moor	Yes
Ms. Wilson	Yes
Ms. Fitzpatrick	Yes

The Motion Carried.

Submitted and General Public Comments

Mr. DeBerry reported that there were no submitted comments. He invited members of the public to address the Southside Network Authority. There were no public comments.

Approval of Minutes

Chair McClellan called for a motion to approve the minutes of the November 21, 2022 and December 9, 2022 meetings. Ms. Wilson Moved to approve the minutes; seconded by Ms. Laura Fitzgerald. The Motion Carried.

Project Management Update

Mr. DeBerry provided a brief update of the Regional Connectivity Ring Project. He noted that when going through the design and construction phase, there will be additional opportunities in other cities, with a chance of a partnership on segments of the fiber network that could save money.

Mr. DeBerry summarized the ongoing projects as follows:

- Permitting and construction underway in accordance with the published schedule
- Continuing to work details of the Portsmouth In-Kind and Chesapeake Co-Build strategies with city staff
- Working with multiple stakeholders, such as VDOT, DHCD, USACE, DEQ, RRs
- Negotiations with Global Technical Systems (GTS)
- National Telecommunications and Information Administration (NTIA) Broadband Grant Opportunity – Peninsula and Tunnel Crossing
 - \$37M grant application
 - Grant recipients to be announced February 16, 2023

Chair McClellan asked if the federal delegation was involved in this.

Mr. Bob Crum responded that the regional delegation had been very supportive. He mentioned that almost twenty letters of support had been delivered from several locations including both the Southside and the Peninsula.

Mr. DeBerry continued his presentation by explaining the permit and construction timeline of Phase I. He stated that 50 permits would be required for the 119-mile fiber ring. About 50% of the construction conduits in Portsmouth have been completed, construction in Norfolk has begun on about nine and a half miles, six permits were submitted for Virginia Beach for about six miles, and two permits for about five miles for the City of Suffolk. He stated that the goal for February was to have those eight permits approved, which would be 20 % of the project and a major milestone. Mr. DeBerry mentioned that due to the co-build with Chesapeake there will be an additional 19 miles where there will only be fiber pulled because the conduit would have been laid by their construction agent. There are some savings, and it would give the Authority 20 quick miles of construction completion. The timeline for this will be this summer or fall.

Mr. DeBerry opened the topic for questions.

Chair McClellan asked if there had been any surprises so far.

Mr. DeBerry reported that they are running into what one would normally experience on a construction project like this. There were all kinds of things that needed to be worked around such as infrastructure, cable in the ground, 24-inch-high pressure gas lines, but the partnership with CTC and Danella has been great.

Chair McClellan asked if the website provides this information or updates on the projects.

Mr. DeBerry responded that the website was not developed with that capability and he will need to develop a more robust website. He mentioned the partnership with HRPDC and their capabilities to facilitate some of the reporting until a new website could be designed.

Chair McClellan stated that going forward there should be a mechanism for press releases, updates, and such. She suggested to get back to this topic in the next meeting.

Mr. DeBerry will look at alternative reporting options while looking to create a new web design.

Ms. Fitzgerald suggested to link the website with the respective city pages where there are updates on broadband rings.

Interim Agreement with Management Services Group, Inc. d/b/a/ Global Technical Systems (GTS) and Smart City Capital, LLC, pursuant to the Public Private Education Facilities and Infrastructure Act of 2002.

Mr. Lockaby, Southside Primary Authority Legal Counsel, provided background information. He stated that there were deal points that had been agreed on. The Southside Network Authority will retain ownership of the 119.4-mile ring. GTS will lease 96 strands from that ring and has the option to lease further strands at rates defined by a formula. The lease is based upon \$2 million per year, as well as GTS agreeing to undertake maintenance on the ring, which is approximately \$800,000 per year. There is also a provision for revenue sharing. As a general proposition, GTS has a plan to build out the internet throughout the Hampton Roads region, with about 420,000 passings. The bulk of those passings would be wired passings, but there will be some wireless ones. GTS is supposed to reach 25 % of those passings within the first 18 months; 10% of those would be in historically disadvantaged areas.

Ms. Fitzgerald asked what a passing was.

Mr. Lockaby clarified that a passing was a serviceable address, a connection.

Mr. Lockaby summarized the schedule for the project. The articles of organization and an operating agreement for a single-purpose entity that would provide the operational, legal, and financial box for the GTS portion is to be expected by March 15. Builds are expected to be completed by May 31, 2024. Testing standards will be developed, and the comprehensive agreement will set out the goals and standards.

Mr. Lockaby opened the topic for questions.

Chair McClellan clarified that this is an interim agreement with a follow-on agreement that will happen based on metrics as well as milestones.

Mr. Lockaby stated that those milestones would be met depending on the development of the pieces that implement the basic ideas and deal points. There are still things that need to be worked out; however, for some points, there was no agreement reached, and for others, there is not enough information available to make a decision yet.

Chair McClellan asked if there was flexibility in the agreement regarding the National Telecommunication and Information Administration (NTIA) grant and if it is limited to the Southside.

Mr. Lockaby responded that the agreement does not provide for that. Based on the participation agreement, the Southside ring was set up as an independent financial box. There is an opportunity for a separate box which should be discussed in the next two quarters. He stated that tools that have been developed will be transferrable to the separate box.

Chair McClellan asked for other questions or comments.

Mr. Lockaby mentioned that staff is requesting a motion to approve the interim agreement, direct the executive director to execute and deliver the agreement and proceed to negotiations.

Ms. Wilson Moved to approve the interim agreement; seconded by Mr. Al Moor.

Roll Call Vote:

Ms. McClellan	Yes
Ms. Terry	Yes
Mr. Moor	Yes
Ms. Wilson	Yes
Ms. Fitzpatrick	Yes

The Motion Carried.

Chair McClellan mentioned that everyone worked hard on this and now it needs to be maintained and marketed. She thanked GTS for their help, work, and patience. She also thanked Mr. DeBerry, the PDC staff, and Mr. DeHaven.

Ms. Wilson expressed her appreciation to the GTS team for being in attendance and mentioned that the Southside Network Authority could not have found a better partner.

Ben Davenport, member of GTS, responded they were extremely thankful for the partnership, and the staff has been excellent to work with.

Ms. Wilson commented that GTS is very helpful with cybersecurity as well and it gives the Authority confidence to know that GTS will be on their side.

Terry Spitzer, member of GTS, mentioned that they are a systems integrator and they do cybersecurity very well.

Chair McClellan asked Matt DeHaven for a comment.

He mentioned that this is a milestone, a tremendously good partnership between SNA and GTS was formed, and he is looking forward to continuing being a part of everything that will be achieved.

Chair McClellan stated that a press release was being worked on so that people know the Authority is moving ahead.

Old/New Business

There was no old/new business.

Mr. Bob Crum asked the board members and the private partners to stay back for a few minutes to take a ceremonial photo which will be attached to the press release.

Mr. DeBerry added that the interim agreement between SNA and GTS would be signed as well.

Adjournment

With no further business to come before the Southside Network Authority, Chair McClellan adjourned the meeting at 2:30 PM.