

made which will affect adversely the prompt payment when due of all moneys required to be paid by the Participating Members under the terms of this Agreement, and no such change or amendment shall be effective which would cause a violation of any provision of any resolution, indenture, or agreement pursuant to which any Obligation has been issued or obtained by the Authority for the Project.

Section 9.6. Waiver. Sufferance of violation of any term of this Agreement, no matter how long continued, shall not operate as a waiver of that term in any future situation. Any waiver by any party of its rights under this Agreement must be in writing, and will not be deemed a waiver with respect to any matter not specifically covered. Nothing in this Agreement authorizes the waiver of any Participating Member's obligation to make payments when due of all moneys required to be paid by the Participating Member under the terms of this Agreement.

IN WITNESS WHEREOF, see the following signatures:

Signatures on following pages...

Southside Network Authority:

By: _____

Name: _____

Its: _____

Date: _____

A teste:

Secretary, Board of Directors

Signatures continue on next page...

City of Chesapeake, Virginia:

By: _____

Name: _____

Its: _____

Date: _____

A teste:

Clerk, City Council

Signatures continue on next page...

City of Norfolk, Virginia:

By: _____

Name: _____

Its: _____

Date: _____

A teste:

Clerk, City Council

Signatures continue on next page...

City of Portsmouth, Virginia:

By: _____

Name: _____

Its: _____

Date: _____

A teste:

Clerk, City Council

Signatures continue on next page...

City of Suffolk, Virginia:

By: _____

Name: _____

Its: _____

Date: _____

A teste:

Clerk, City Council

Signatures continue on next page...

City of Virginia Beach, Virginia:

By: _____

Name: _____

Its: _____

Date: _____

A teste:

Clerk, City Council

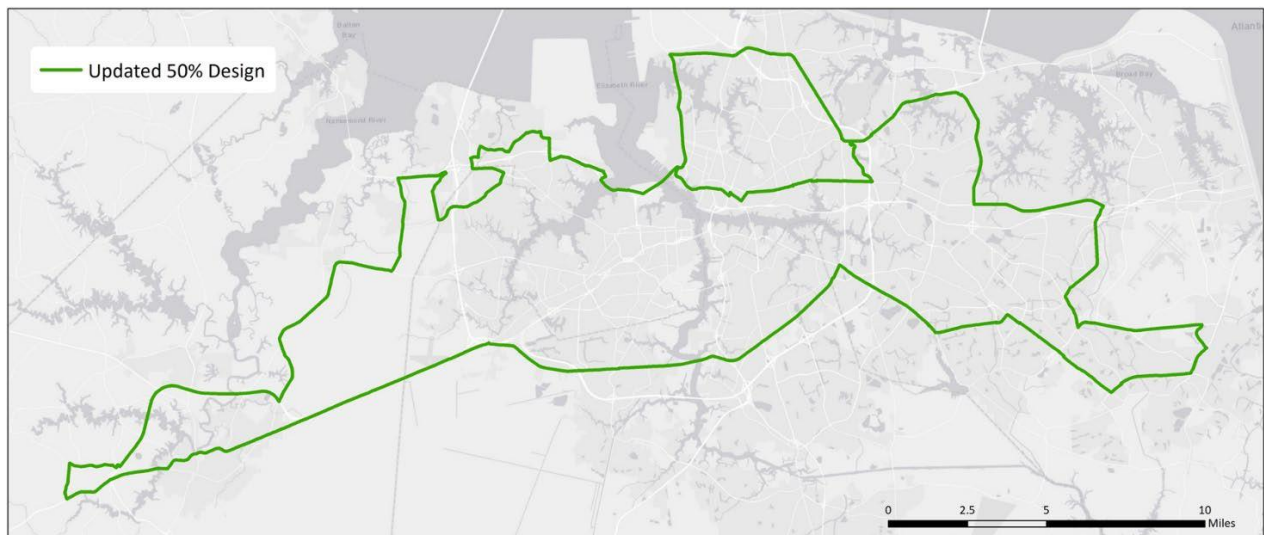
Appendix A

Project Summary

Network Design Overview

The RCR comprises approximately 119.1 miles of communications conduit and fiber routes (Figure 1) interconnecting designated peering points in each of the five Cities. The design includes a standard configuration of three two-inch conduits and a single 288-strand fiber optic cable, with vaults spaced at an average interval of less than 1,000 feet. The current design calls for a total of 24 railroad crossings and 17 waterway crossings.

Figure 1: High-Level Fiber Network Route



Map

Summary of Scope of Work

The scope of work encompasses the construction and maintenance of the conduit and fiber optic infrastructure comprising the RCR.

A summary of the required work includes, but is not limited to the following:

- Construction:
 - Initiation of underground utility locate requests through the Virginia 811 system, and strict adherence to all Virginia Underground Utility Damage Prevention laws;
 - Sub-surface installation of conduit, primarily through the use of horizontal directional drilling, including utility locating through test pitting, traffic control, and paved surface restoration;
 - Installation of underground handholes/vaults and ground rods;
 - Attachment of conduit to existing bridge structures;
 - Placement of fiber optic cable and/or tracer wire in conduit;

- Installation of fiber splice enclosures and fiber splicing;
 - Optical performance testing of fiber optic strands; and
 - Provision and storage of all materials related to the above construction.
- Maintenance:
 - Perform emergency repair work to damaged fiber plant and network facilities;
 - Provision and storage of all materials related to the above services;
 - Perform fiber locate services in response to 811 locate tickets; and
 - Collect and maintain a database of fiber infrastructure “As-built” documentation.

The Authority and its engineering consultants will provide all engineering work documents necessary for construction, and will supply or facilitate all Municipal, VDOT, and environmental permitting required. Any permitting costs to outside entities shall be borne by the Authority, and if required to be paid by the Contractor, shall be charged to the Authority at direct cost.

The Contractor shall be required to perform permanent restoration of all surfaces, according to applicable municipal and VDOT standards, for accidental damage or otherwise unnecessary surface disturbances caused by the Contractor. The Authority shall be the sole determinant as to the reasonableness of surface disturbances caused by the Contractor.

The Contractor will provide regular progress reporting and will closely coordinate its construction schedule with the Authority and its designated project management personnel. The Contractor shall provide a primary point of contact to the Authority for the duration of the project and shall be expected to attend regular project status and management meetings. The Contractor shall provide daily progress reporting and forecasting of the construction locations for the following workday during active construction phases of the project and shall provide weekly reporting of key progress metrics to be defined by the Authority.

Appendix B

- Reliable and secure backhaul communications connectivity to support the needs of public safety entities and national security institutions.
- Availability of dark fiber for internal governmental needs of the Participating Members.
- Provide bandwidth to support growing educational needs (e.g., virtual classrooms).
- Provide affordable access to underserved and unserved citizens to address the residential Digital Divide. (Affordability/availability of service to low- and moderate-income households and households with poor credit.)
- Attract new enterprises with high-paying jobs to the region (i.e., Biomed, cyber security, corporate headquarters, and financial services), and in particular the Participating Members.
- Enable strategic partnerships between commercial providers leveraging subsea cables and data centers and anchor institutions such as colleges, universities, hospitals, the Commonwealth of Virginia, and the armed forces.
- Expedited service availability or arrangements to benefit economic development prospects or other community development needs.
- Provide competitive and non-discriminatory access to middle-mile fiber to promote investment by commercial providers in innovative and competitively priced last-mile broadband services – the Project is not to be used exclusively for the Authority and its members, rather it must be available to facilitate competitive delivery of broadband services on an open access basis.
- Expand accessibility to subsea cables and related localized commercial data center infrastructure.
- Support broadband needs of business incubators, technology innovators, product accelerators, and data centers.
- Foster an ecosystem for low-cost internet service providers to meet demand for affordable internet to address the business Digital Divide.
- Expand advanced technology business creation and retain newly educated/skilled workforce.
- Such other and further matters as may be reasonably related to the Project.