

**Southside Network Authority
Summary Minutes
February 26, 2021**

Pursuant to the declared state of emergency in the Commonwealth of Virginia in response to the COVID-19 pandemic and to protect the public health and safety of the Authority members, staff, and the general public, the February 26, 2021 Southside Network Authority (SNA) meeting was held electronically via Webex with the following in attendance:

Southside Network Authority Voting Members in Attendance:

Susan Vitale, Chair, CH
Andria McClellan, Vice-Chair, NO
Daniel Jones, PO

Albert Moor, SU
Rosemary Wilson, VB

Other Participants:

Steven DeBerry, SNA Executive Director
Robert Crum, HRPDC Executive Director
Debra Bryan, VB
Regina Chandler, Alternate SU
Scott Fairholm, Alternate CH
Fraser Picard, NO
Jay Stroman, CH

Peter Wallace, Alternate VB
Catheryn Whitesell, Alternate NO
Mike Lockaby, Guynn, Waddell, Carroll &
Lockaby, P.C.
Matthew DeHaven, CTC Technology &
Energy

Mr. Robert Crum, HRPDC Executive Director, stated that per the requirements of the Code of Virginia, the meeting notice, agenda, and supporting documentation were posted on the HRPDC website for public review. Electronic copies of the information were provided to Authority members and other interested parties. Additionally, the meeting was being live-streamed and was available for viewing on the Regional Connection YouTube channel. A recording of the meeting will be available on the HRPDC website. This electronic meeting is required to complete essential business on behalf of the region.

Mr. Crum noted that, although not received within the 48-hour time frame allotted for public comment, the SNA received one public comment within the hour preceding the Authority meeting. He suggested that at the appropriate time on the agenda, the comment be read aloud into the record of the meeting.

Mr. Crum reviewed a few important housekeeping rules to help the meeting run smoothly:

- Participants were asked to please remain on mute before and after providing any comments to avoid unnecessary background noise and potential feedback.
- All votes taken must be by roll call vote and recorded in the minutes.
- Participants were asked to identify themselves when speaking and/or providing a motion or a second.

Call to Order

Chair Vitale called the February 26, 2021 meeting of the Southside Network Authority to order at 2:05 PM and asked Mr. Crum to conduct a roll call to determine Authority members' attendance. A quorum was established and the meeting proceeded as outlined in the agenda.

Chair Vitale welcomed everyone to the meeting and called for a motion to approve the Agenda. Mr. Daniel Jones Moved to approve the Agenda; seconded by Ms. Rosemary Wilson.

Roll Call Vote:

Ms. Vitale	Yes
Ms. McClellan	Yes
Mr. Jones	Yes
Mr. Moor	Yes
Ms. Wilson	Yes

The Motion Carried.

Public Comment

One written public comment was received via email from Ms. Sarah Buck of Cox Communications at 12:33 PM, Friday, February 26, 2021. Mr. Crum read Ms. Buck's comments into the record (see attachment to these summary minutes).

Approval of the Minutes

Chair Vitale called for a motion to approve the Minutes of the February 5, 2021 meeting.

Mr. Al Moor Moved to approve the minutes of the February 26, 2021 SNA meeting; seconded by Ms. Wilson.

Roll Call Vote:

Ms. Vitale	Yes
Ms. McClellan	Yes
Mr. Jones	Yes
Mr. Moor	Yes
Ms. Wilson	Yes

The Motion Carried.

Decision for Development of an Approach to Fiber Ring Ownership, Funding and Operation

Mr. DeBerry noted that he and staff have been working since the February 5, 2021 meeting to put together an approach that would allow the Authority to advance its project while continuing to gather information that will be helpful to Authority members when reviewing various funding and operating strategies for moving forward. Mr. DeBerry introduced Mr. Matt DeHaven of CTC Technology and Energy to continue the discussion.

Mr. DeHaven stated that today's presentation would identify strategic options for the SNA and outline the recommended tactical approach for Authority approval. He noted he would be presenting an approach that keeps things moving while informing the strategic direction of the SNA.

The past two meetings centered around significant discussion on the primary strategic options for implementation and operation of the fiber ring, ranging from a network completely funded and operated by the Authority to a turnkey public-private partnership (P3) where the SNA's role may be limited. Today's proposal is a recommendation for a dual track approach. This approach is designed to inform SNA decision-making around strategic direction while making progress around each of the main strategic paths. Mr. DeHaven noted that he is not recommending or eliminating any strategic options at this stage, but rather the objective of this dual track approach is to maintain momentum while further developing important details for each of the identified strategies.

Mr. DeHaven reviewed a prospective timeline that illustrated the approximate schedule for both the SNA build and operate track and the P3 track and outlined the various components within each step of the two identified tracks. Mr. DeHaven reiterated that CTC is not looking for a decision on the ultimate strategy; only concurrence by the Authority that this dual track approach best represents the steps that will better inform the Authority's ultimate strategic decision.

Following Mr. DeHaven's presentation, Mr. DeBerry reminded the Authority that \$710,000 was included in this year's budget for contracting, construction, etc., and CTC will be coming in under budget on the 50% design work. Based on these and other factors, he informed the Authority that there would be monies in the budget to fund either track. Mr. DeBerry offered to answer any questions Authority members may have as they move to make their decision today.

Ms. Wilson asked if a vote was being requested today. Chair Vitale replied affirmatively in that they are looking for agreement by the Authority to move forward with the various Requests for Proposals (RFPs) in a multi-pronged approach as outlined in Mr. DeHaven's presentation.

Ms. Wilson expressed her disagreement with the multi-pronged, dual track approach. She has discussed the options with both Virginia Beach City Council members and the City Manager, and they are in favor of the P3 track utilizing private sector funds. Ms. Wilson said the City of Virginia Beach has had great success with public-private partnership arrangements. Ms. Wilson also inquired if there was any effort placed into finding grant opportunities to fund the project.

Ms. McClellan expressed her concern that the Authority does not have enough information to make a decision on either track at this point. She stated that the dual track approach is very appealing in that it would allow the Authority to better understand its available options. She questioned why the Authority would not want to gain as much information as possible in order to make the best possible decision on moving forward.

Mr. Jones and Mr. Moor both expressed their agreement with the dual track approach. Once the Authority has more information, a decision can be made on best path forward. Chair Vitale also expressed her support for the dual track approach in that it allows the Authority to cast a wide net and get as much information as possible to make an informed decision. She felt this approach illustrated the Authority is being a good steward of public monies.

Extensive discussion continued regarding the best path forward. Members of the Authority expressed their positions related to a dual track approach versus a one track approach through a P3 arrangement. Chair Vitale noted that although the P3 track may be the track the Authority ultimately implements, following the dual track approach is the best way to inform members and make appropriate comparisons to move forward. Following the P3 track alone at this point will not give members the full story to allow them to make cost-effective decisions.

Mr. Jones noted that no matter what decision is made, the Authority still has two additional phases for this fiber ring and it is important to keep the full scope and picture in mind.

Ms. Chandler suggested that perhaps the SNA reach out to the Roanoke Valley Broadband Authority about its experience with a P3 arrangement. Mr. DeBerry noted that conversations had taken place with Roanoke Valley and others, and Mr. Lockaby has worked with other Authorities and P3 arrangements in the past.

Chair Vitale asked Mr. Lockaby if it was helpful in a P3 negotiation to know what it would cost the Authority to finance the operation itself. Mr. Lockaby stated that it is helpful to have as specific a figure as possible. Chair Vitale asked for confirmation that a consultant could bid not only on the P3, but also on the components of the other track. Mr. Lockaby confirmed Chair Vitale's understanding.

Authority members continued their discussion on the advantages and disadvantages of the dual track option and the P3 option only. Ms. McClellan asked for confirmation that members did not have to return to their respective councils to ask for additional monies. Chair Vitale replied affirmatively.

Ms. McClellan Moved to proceed with the hybrid/dual track approach for construction; seconded by Mr. Moor.

Mr. Jones asked that the "hybrid" approach be defined. Mr. DeHaven explained that the hybrid/dual track approach called for staff to proceed with the procurement process around both the design/build/operate model as well as the P3 model. Ms. McClellan noted that currently the decision point does not include the RFP for the marketing, maintenance and management components. She inquired if that could be included. Mr. DeHaven replied affirmatively. As such, Ms. McClellan amended her motion to include not only the RFP for construction, but also the RFP for marketing, maintenance and management; seconded by Mr. Moor.

Ms. Wilson asked if this would include investigating grant opportunities. Mr. DeBerry replied affirmatively. Ms. Wilson then asked for clarification as to the motion. Chair Vitale reviewed that the motion was to proceed with the RFPs for construction and maintenance; dig once-only partner; financing RFP and operations, maintenance and marketing RFP; and P3 RFP.

Chair Vitale called for a vote and asked Mr. Crum to restate the motion and call the roll. Mr. Crum repeated the motion by Ms. McClellan and second by Mr. Moor, noting the motion also included the exploration of grant opportunities.

Roll Call Vote:

Ms. Vitale	Yes
Ms. McClellan	Yes
Mr. Jones	Yes
Mr. Moor	Yes
Ms. Wilson	No

The Motion Carried with four votes in favor and one against.

Old/New Business

Chair Vitale called for any Old or New Business to come before the SNA.

Mr. Crum noted that with the finalization of the COVID-19 Relief Program package at the federal level, it is anticipated that the new administration will begin discussions on an infrastructure package. Mr. Crum noted that the SNA and HRPDC have reached out to and have been contacted by representatives at the federal level, both in the House and Senate. These early conversations have indicated that the administration will be looking at infrastructure in a very broad context. Fiber and technology appear to be receiving a lot of attention. Mr. Crum has been asked to provide examples of need in the Hampton Roads region, and broadband and the SNA project has been part of the conversation. Mr. Crum stated that staff will continue to stay on top of these conversations and report back any information to the SNA.

Ms. McClellan asked that the next meeting of the Authority be scheduled as soon as possible. Chair Vitale agreed and proposed that the Authority schedule its meetings on a regular recurring basis. Mr. DeBerry said he will work with Authority members to determine the best dates for regular meetings moving forward.

Adjournment

With no further business to come before the Southside Network Authority, the meeting adjourned at 3:41 PM.

Respectfully submitted,

Robert A. Crum, Jr.
HRPDC Executive Director
Recording Secretary

Southside Network Authority Public Comment

Name: Sarah Buck

Date: February 26, 2021

Subject: SNA Public Comment from Cox

Comment:

Mr. DeBerry, Madam Chair, Vice Chair and members of the Authority –

Cox has been serving the Hampton Roads community for more than 40 years; during this time, we've been successful at leveraging public-private partnerships to reduce the significant costs and liability involved with building and maintaining a fiber network.

As you continue to discuss plans for the future, we encourage the Authority to hear from existing internet service providers such as Cox who are already providing middle mile carrier services across the region before deciding on next steps.

Hearing from us and learning about how we're able to navigate the unique circumstances the Hampton Roads region presents (bridges, tunnels, hurricanes, flooding, etc.) will provide additional insight to the information you've already been provided.

Building, operating, and maintaining a fiber network requires extensive funding and resources; we remain open to being a partner to help you meet your goals and are hopeful to have a seat at the table.



Sarah Buck Public Affairs Manager
757.222.2646 tel 757.593.1471 cell
1341 Crossways Blvd. | Chesapeake, VA 23320



Bringing us closer