

**Southside Network Authority
Summary Minutes
May 14, 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 May 14, 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
Andrew Fox, NO
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 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 Susan Vitale called the May 14, 2021 meeting of the Southside Network Authority to order at 2:05 PM and welcomed everyone to the meeting. She asked Mr. Crum to conduct a roll call to determine Authority members' attendance. Mr. Crum conducted a roll call of those in attendance and a quorum was confirmed.

Chair Vitale call for a motion for approval or modification of the agenda. She noted there may be a need after Agenda Item #7 to go into a closed session. Mr. Steven DeBerry, SNA Executive Director, confirmed the need for a closed session later in the meeting.

Mr. Al Moor Moved to approve the modified Agenda, adding a closed session after Agenda Item #7; seconded by Mr. Daniel Jones.

Roll Call Vote:

Ms. Vitale	Yes
Ms. McClellan	Not Recorded
Mr. Jones	Yes
Mr. Moor	Yes
Ms. Wilson	Yes

The Motion Carried.

Public Comment

No public comments were received.

Approval of the Minutes

Chair Vitale called for a motion to approve the Minutes of the April 9, 2021 meeting.

Mr. Jones Moved to approve the minutes of the April 9, 2021 SNA meeting; seconded by Ms. Andria McClellan.

Roll Call Vote:

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

The Motion Carried.

Status Update on Near-term Action Items

During the February 26, 2021 SNA Board meeting, members voted to pursue a dual path strategy for funding, constructing, operating, and maintaining the Regional Connectivity Ring that provides options to move the project forward while gathering additional information regarding potential funding strategies. Mr. Steven DeBerry, SNA Executive Director provided an update on the progress and outlined the projected timelines for near-term action items including approval of a resolution for a Public-Private Partnership (P3)

solicitation and committee assignments for SNA members for upcoming procurement actions.

Mr. DeBerry reviewed the current timeline for the various near-term tasks of the SNA:

- The Construction and Maintenance pre-qualification RFP was released April 8th and nine responses were received.
- The Financial Analysis RFP was released April 15th and responses are due May 18th.
- The P3 RFP will be issued May 20th with responses due 90 days later on August 24th.
- The Construction and Maintenance IFB will be issued August 5th with responses due September 14th. This is a change from a previous issue date of mid-June.

Mr. Jones asked Mr. DeBerry if the six-week time frame identified for the issuance of the Construction and Maintenance IFB and receipt of responses is enough time for this particular task. Could it be released earlier?

Mr. DeBerry replied that he believes it is enough time; however, they may be able to release it earlier. Mr. DeBerry asked for Mr. Lockaby's guidance. Mr. Lockaby noted that it is not a good idea to award a construction contract without having funds at least budgeted into the localities' Capital Improvement Plan (CIP), even if it is outside of the current fiscal year. It can be done in a legal sense, but it would be his recommendation to delay issuing the IFB until there is a budgeted commitment from the localities that the money will be there to fund giving a notice to proceed within a reasonable time after receiving bids.

Mr. DeBerry continued with a comparison of the dual path strategies and the timelines for each path. He noted that after review of similar projects and adhering to a rigorous P3 negotiation, the P3 option takes approximately six months longer to reach the end of construction. The P3 solicitation will be structured as procurement under the Public Private Education Facilities and Infrastructure Act of 2002 (PPEA), using a competitive negotiation process. The RFP focuses on the priorities identified by the SNA localities so that whoever bids knows where the Authority's priorities are focused. The SNA will be seeking proposals that include:

- Qualifications—who is the proposer or consortium of proposers, and can they do the job?
- Design—how will the project be designed? What are the private partner's goals, and how do they relate to ours? How will the design relate to the existing 60% design documentation?
- Construction—what is the approach, how much will it cost, and what is the timeline?
- Operations—how will the project be operated and marketed on a day-to-day basis? Who responds to customer calls?
- Maintenance—who and how will the physical plant be maintained? Who responds to 811 calls, or fixes things if they break in the middle of the night?
- Finance and legal structure—how will it be paid for, and what is the legal structure to control the effort? What business case is there, and what are the contingencies? How will it wind down at the end of the partnership?

Mr. DeBerry noted that due to the complexity of the project, Authority members as well as their Chief Information Officers (CIOs), will be deeply involved in the RFP review process. Review of RFPs will be done by a Selection Committee, with assistance from Authority staff, counsel and consultants. Each city within the SNA will be called upon to provide analysis and input to the RFPs.

Ms. Wilson stated the SNA should make it clear that this project is going to be a leased project; the SNA is not going to sell the project. She questioned if there would be any humanitarian components added to the project that would add value, for example, serving an underprivileged neighborhood. She wanted to make it clear to proposers that if they want to add something similar in their proposals, the SNA would have an interest in this area.

Mr. DeBerry acknowledged the RFP language could be refined to ensure a clear message. He noted the priorities for the Authority included addressing the digital divide and looking for ways to help in unserved and underserved areas. Mr. Lockaby agreed that the language could be brought more in line with Ms. Wilson's suggestion.

Ms. McClellan inquired about the scoring process of the RFPs, and Mr. DeBerry outlined the scoring components. Mr. Lockaby noted that the scoring for each of the categories is not based on how good the construction is, but how well the construction is oriented towards the goals of the SNA.

Ms. McClellan asked if the lease versus ownership issue could be addressed. Mr. DeBerry noted the Authority has not yet made that decision. That decision is part of this process and is the reason the Authority decided on the dual track approach. The P3 would cast a wide net to allow the Authority to see what was available. Mr. DeHaven agreed that no conclusion has been made as to the deal structure and the initial idea was to explore the options and see what types of partnerships the industry is willing entertain.

Mr. DeBerry outlined the next steps in the process as follows:

- Execute the procurement strategy per Board direction
- Prioritize and align remaining contract and governance items
- Continue to pursue potential grants and strategic partnerships
- Work with the five Southside cities regarding American Rescue Plan and American Jobs Plan as funding mitigation strategy for building the Regional Connectivity Ring

Ms. McClellan asked about federal funding that has already been identified and is available to the SNA localities for broadband. Mr. DeBerry noted the funding is out there; the cities are reviewing and by early August, the localities believe they will have identified the funding amount and any strings that may be attached.

Resolution for a solicitation in accordance with the Public Private Education Facilities & Infrastructure Act (PPEA) of 2002

The SNA is required to approve a resolution for the solicitation of the planned PPEA/P3 Request for Proposals (RFP) (in accordance with the SNA approved Guidelines for Implementing the PPEA of 2002). Mr. DeBerry directed the Authority members' attention to

the resolution in their agendas and noted that he is seeking authorization to release the P3 RFP on May 20, 2021 with a 90-day response time. Mr. DeBerry proposed that the evaluation committee for the P3 RFPs include, Chair Susan Vitale, Ms. Rosemary Wilson, Mr. Daniel Jones, Mr. Peter Wallace, Mr. Scott Fairholm and himself.

Mr. Lockaby noted that the PPEA statute requires the proposals be provided to the city administrations so that each locality can provide comments on their analysis as well as how the proposal aligns with each of their comprehensive and strategic plans for their localities.

Ms. McClellan questioned the City of Norfolk's lack of representation on the committee. Mr. DeBerry explained that he was attempting to spread the responsibilities on all the RFPs and not have SNA members on too many committees in order to be sensitive to the time commitments involved. Norfolk would have representation on two other committees, but representation as identified in the resolution could be adjusted. Ms. McClellan requested that Ms. Catheryn Whitesell from the City of Norfolk be added to the committee.

Ms. Regina Chandler noted the City of Suffolk was also not included on the selection committee. Mr. DeBerry noted that Ms. Chandler, representing the City of Suffolk, was on both the construction and maintenance prequalification committee and the construction and maintenance RFP. Mr. Al Moor recognized the City of Suffolk was represented on some of the other committees, and the selection committee as outlined by Mr. DeBerry was acceptable to him.

Mr. Jones commented that he had issue with the provision in the P3 RFP that the Authority share the complete 60% of the drawings architecturally, both as a URL and as part of the RFP. He explained that because of the wide dissemination of this document, the SNA is basically giving away all information on the location and specifics relating to this network. It is important to secure that information. As an example, Mr. Jones indicated the City of Portsmouth released a bill of materials which coincides with the exact design and architecture instead of the actual routing and mapping.

Mr. DeBerry stated that he had spoken with Mr. Jones about his concerns. They will work on revising the specific wording and will request the input of the Chief Information Officers. Mr. Scott Fairholm agreed with Mr. Jones concerns and made a suggestion as to how to address the concern. Mr. DeBerry assured the SNA members that they will work to fix the language and asked to proceed to approval of the resolution.

Ms. McClellan questioned if the Authority would be voting on the resolution as it is currently written or should it be revised first. Mr. Lockaby noted that the resolution as it is currently written does not require disclosure of information. It is his opinion that the design information is likely exempt under the security exemptions of the Freedom of Information Act.

Chair Vitale called for a motion to approve the resolution authorizing the issuance of a solicitation under the Public Private Education Facilities and Infrastructure Act of 2002 and for the evaluation thereof with one proposed amendment that item number three add Ms. Whitesell to the selection committee that will evaluate the proposals.

Mr. Jones Moved to approve the resolution with the noted amendment; seconded by Ms. McClellan.

Roll Call Vote:

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

The Motion Carried.

Board Member Assignments to Evaluation Committees

Mr. DeBerry stated that to ensure the goals and objectives of the SNA localities are well-represented, evaluation committees were formed to represent the varying perspectives and expertise to support the upcoming Regional Connectivity Ring (RCR) procurement processes. Mr. DeBerry provided an overview of the four evaluation committees and the Authority members assigned to each one.

Chair Vitale called for a motion to approve the assignments to the four evaluation committees.

Ms. McClellan Moved to approve the proposed committee assignments for the upcoming procurement actions; seconded by Mr. Moor.

Roll Call Vote:

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

The Motion Carried.

Closed Session

Chair Vitale called for a closed session. Mr. Lockaby read the following motion into the record for the Authority:

“Motion to enter closed session pursuant to Section 2.2-3711(A)(6) of the Code of Virginia of 1950, as amended, for the purpose of discussion or consideration of the investment of public funds where if made public initially the financial interest of the authority would be adversely affected relating specifically to Agenda Items 5 and 6.”

Ms. McClellan Moved to proceed into closed session; seconded by Mr. Moor.

Mr. Crum suggested the SNA consider additional attendees to the closed session, including Steven DeBerry, Robert Crum, Mike Lockaby, Matt DeHaven, local legal counsels represented on the call, and HRPDC administrative staff supporting the meeting. Chair Vitale agreed and asked Vice-Chair McClellan and Mr. Moor if they concurred with the additional attendees in their motion; both agreed.

Roll Call Vote:

Ms. Vitale	Yes
Ms. McClellan	Yes
Mr. Jones	Yes
Mr. Moor	Yes
Ms. Wilson	Not recorded

The Motion Carried.

The Authority proceeded into closed session.

Return to Open Session

The Authority reconvened into open session. Mr. Lockaby read the following motion into the record for the Authority:

“Motion that the Board of Directors certify, by roll call vote, pursuant to Section 2.2-3712, Subsection D, of the Code of Virginia, 1950, as amended, that (i) only public business matters lawfully exempted from open meeting requirements under the Virginia Freedom of Information Act and (ii) only such public business matters as were identified in the motion by which the closed meeting was convened were heard, discussed or considered in the meeting by the Board of Directors.”

Mr. Jones Moved to certify that only public business matters lawfully exempted from open meeting requirements as were identified in the motion by which the closed meeting was convened were heard, discussed or considered in the meeting; seconded by Ms. Wilson.

Roll Call Vote:

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

Old/New Business

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

Mr. Crum reported that he and Mr. DeBerry continue to look for any state and federal funding sources that might be available for the SNA project. He noted they had a fairly extensive meeting with state staff from the Department of Housing and Community Development. Unfortunately, they are placing a priority on servicing outlying rural areas and it did not appear the SNA project was a good match. As it relates to the federal infrastructure package, Mr. Crum stated it may be fall or winter before the SNA can apply.

Adjournment

With no further business to come before the Southside Network Authority, the meeting adjourned at 3:50 PM.

Respectfully submitted,

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

DRAFT