

MEMBER
JURISDICTIONS

June 6, 2022

Memorandum #2022-78

TO: Southside Network Authority

CHESAPEAKE

BY: Steven H. DeBerry, Executive Director

RE: Southside Network Authority Meeting – June 10, 2022

A meeting of the Southside Network Authority (SNA) will be held on Friday, June 10, 2022, beginning at 2:00 PM in Board Room A, The Regional Building, 723 Woodlake Drive, Chesapeake, VA. 23320. The agenda is attached.

NORFOLK

SHD/ka

Attachment

PORTSMOUTH

SNA Voting Members:

Susan Vitale, CH
Andria McClellan, NO
Daniel Jones, PO
Albert Moor, SU
Rosemary Wilson, VB

SNA Alternate Members:

Scott Fairholm, CH
Catheryn Whitesell, NO
Vacant, PO
Regina Chandler, SU
Peter Wallace, VB

SUFFOLK

Copy:

Mike Lockaby, Guynn, Waddell, Carroll & Lockaby, P.C.
Southside Network Authority Jurisdictions' Chief Administrative Officers
Southside Network Authority Jurisdictions' Chief Information Officers
Southside Network Authority Jurisdictions' Legal Representatives

VIRGINIA BEACH

**SOUTHSIDE NETWORK AUTHORITY
BOARD MEETING**

**June 10, 2022
2:00 PM**

**The Regional Building
Board Room A
723 Woodlake Drive, Chesapeake**

- 1. Call to Order**
- 2. Approval/Modification of Agenda**
- 3. Public Comments**

Members of the public are invited to address the Southside Network Authority (SNA). Each comment is limited to three minutes.

- 4. Submitted Public Comments**

There were no submitted public comments since the last SNA meeting. Any new written public comments received after the preparation of this agenda will be distributed at the meeting.

- 5. Meeting Minutes (Attachment 5)**

Attached for the SNA's consideration are the minutes from the May 13, 2022, SNA Meeting.

Action Requested: SNA Board should take action to approve the minutes for the May 13, 2022, Board Meeting.

- 6. Project Management Update**

Staff will provide a project update to the Board during this meeting.

Action Requested: No action required. Update is provided for Board Members' information.

7. Closed Session – Discussion of Procurement Strategy

To proceed into closed session, the SNA Board should consider the following:

Motion to convene a closed session pursuant to subsection A.28 of § 2.2-3711 of the Code of Virginia, 1950, as amended, for the purpose of discussion or consideration of information subject to the exclusion in subdivision 11 of § 2.2-3705.6 by a responsible public entity; pursuant to subsection A.33 of § 2.2-3711 for the purpose of discussion or consideration by a local authority created in accordance with the Virginia Wireless Service Authorities Act (§ 15.2-5431.1 et seq.) of confidential proprietary information and trade secrets subject to the exclusion in subdivision 19 of § 2.2-3705.6; pursuant to subsection A.29 of § 2.2-3711 for the purpose of discussion of the award of a public contracting involving the expenditure of public funds, and discussion of the terms or scope of such contract, where discussion in open session would adversely affect the bargaining position or negotiating strategy of the public body; and pursuant to subsection A.6 of § 2.2-3711 for the purpose of discussion or consideration of the investment of public funds where competition or bargaining is involved, where, if made public initially, the financial interest of the governmental unit would be adversely affected, specifically relating to PPEA negotiations with Global Technical Systems.

After reconvening in open session, the SNA Board should consider the following:

Motion to reconvene in open session and to certify by roll call vote, pursuant to subsection D of § 2.2-3712 of the Code of Virginia, that (i) only public business matters lawfully exempted from the open meeting requirements of the Freedom of Information Act and (ii) only such public business matters as were identified in the motion by which the closed session was convened were heard, discussed, or considered in the closed session.

8. Actions out of Closed Session

Action Requested: Following the end of closed session, the Board may take actions to implement the recommendations received under agenda item 7 considering the confidential information, analysis, discussion, and considerations from the closed session.

9. Old/New Business

10. Adjournment

**Southside Network Authority
Summary Minutes
May 13, 2022**

The May 13, 2022 meeting of the Southside Network Authority (SNA) was called to order by Chair Susan Vitale at 2:12 PM. Chair Vitale thanked everyone for their attendance at the meeting and requested Mr. Robert Crum, HRPDC Executive Director, call the roll to determine meeting attendance.

Southside Network Authority Voting Members in Attendance:

Susan Vitale, Chair, CH	Albert Moor, SU
Andria McClellan, Vice-Chair, NO	Daniel Jones, PO
Rosemary Wilson, VB	

Other Participants:

Steven DeBerry, SNA Executive Director	Matthew DeHaven, CTC Technology & Energy (via MS Teams)
Robert Crum, HRPDC Executive Director	Mike Lockaby, Guynn, Waddell, Carroll & Lockaby, PC
Regina Chandler, Alternate SU	
Scott Fairholm, Alternate CH	
Edward Shahnazarian, VB	

Others Recorded Attending:

Kelsey Swieringa (City of Portsmouth); William Hutchings, Jr. and Tom Mueller (City of Suffolk); Jay Stroman (City of Chesapeake); Diane Kaufman (Senator Kaine's office); and Kelli Arledge, Rob Cofield, Andrew Margason and Chris Vaigneur (HRPDC Staff).

Approval of the Agenda

Chair Vitale called for a motion to approve the agenda. Vice Chair Andria McClellan Moved to approve the agenda as presented; seconded by Mr. Daniel Jones. The Motion Carried.

Public Comments

Chair Vitale invited members of the public to address the Southside Network Authority. There were no public comments.

Submitted Public Comments

There were no submitted comments.

Approval of the Minutes

Chair Vitale called for a motion to approve the April 8, 2022 minutes. Mr. Jones Moved to approve the minutes; seconded by Mr. Al Moor. The Motion Carried with four votes in favor and one abstention from Ms. Rosemary Wilson.

Project Management Update

Mr. Steven DeBerry, SNA Executive Director, provided an update on the current status of construction, negotiations with GTS and the Public-Private Partnership (P3), as well as some of the tools that will be provided to the Chief Information Officers (CIOs) and other local staffs to help manage the fiber ring project.

Mr. DeBerry reminded the SNA members that it was decided that construction would start in Virginia Beach, moving from proximity to the trans-Atlantic cables westward towards Norfolk, Chesapeake, Portsmouth and Suffolk. CTC has completed the final design and is verifying the fiber route and is capturing this information in GIS format for the first 40 miles of the fiber ring route. Danella has ordered the initial quantity of conduit and fiber for this first phase. Conduit is expected in by early June and the fiber expected in September. Mr. DeBerry foresees construction on the first 40 miles to begin approximately July 11th.

As the fiber is laid, Ms. Wilson asked if it could be used or must the localities wait for the entire ring to be completed. Mr. DeBerry noted that depending on the customer, the fiber could be utilized, but there is no strategic business plan in place yet for that to happen.

Vice Chair McClellan noted that Norfolk City Council, typically takes their break from council sessions in August. She asked that if any major decisions need to happen that the timing of these breaks for all localities be taken into consideration so as to not delay the process.

Continuing with his update, Mr. DeBerry reported that he anticipates a total of 70 to 80 miles of the ring will have been captured in the route design within the next two weeks as CTC continues to conduct the final design for the remaining segments.

Ms. Wilson commented that the cities need to begin thinking about how they will be utilizing and leasing their segments. Mr. DeBerry noted that policy still needs to be developed around this, but he did not see anything that would preclude the SNA from leasing the fiber. He asked Mr. DeHaven to provide additional clarification.

Mr. DeHaven reported that from a technical perspective, each segment can be leased as it is completed. Mr. DeHaven concurred with Mr. DeBerry comment in that the SNA needs a strategy or policy in place pertaining to access as well as agreements and a pricing policy. Once those details are worked out and once everything is tested and transferred from the contractor to the Authority, from an ownership perspective, it is ready to be leased at that stage if it meets the customer's needs.

Mr. Lockaby noted that from a legal perspective, there are two things that need to happen: 1) there is a need for notional pricing which will be presented to the Authority at another date; and 2) each city must appoint a member to the Project Participation Committee. Mr. Lockaby suggested for convenience, those members could be the five Authority Board members so that the committee could meet directly after the Board meetings.

Chair Vitale asked if there was specific documentation needed from the localities for this appointment. Mr. Lockaby noted that particular documentation was not needed; the cities need

only to appoint a member. The project participation committee will have the authority to enter into contracts or leases for fiber.

Mr. Jones asked Mr. DeHaven to clarify his comments about leasing segments before the entire ring is complete. Mr. DeHaven restated that from a technical perspective, the entire ring does not need to be complete to begin leasing segments. It can be done on a piecemeal basis as the ring grows.

Mr. Lockaby further clarified that within the context of the construction contract, the Authority can accept substantial completion and beneficial occupancy for part of the ring without giving the final certification and acceptance. Mr. Lockaby, Mr. DeHaven and Mr. DeBerry would work through the process of how that would be done, but the construction contract was written to allow this. Mr. Jones cautioned members on allowing usage on the network before completion because of continued splicing, terminating, and additional construction as the fiber ring is built. Mr. DeBerry agreed that Mr. Jones' caution is well-headed.

Mr. Moor asked if each segment would be tested before the Authority accepts it. Mr. DeBerry replied affirmatively and noted that Mr. DeHaven's team will verify the work before Mr. DeBerry signs any invoices.

Mr. Moor asked about the warranty period. Mr. Lockaby noted that it would be for one full year from final acceptance. Mr. Moor stated his concern that, if leasing sections early before the final ring is complete, there will be some sections that will be out of warranty before the full ring is complete. Mr. DeBerry concurred and noted it is important to get the sequencing of leasing done in the right manner to avoid such potential conflicts.

Ms. Wilson stated she believes there is an advantage to opening/leasing sections as things progress. First, problems from early sections can be identified for future segments. Secondly, as customers hear about the ring, it will build excitement. It can be phased in.

Mr. Shahnazarian inquired about maintenance. Mr. DeBerry replied there is currently the capability for maintenance. However, the SNA has not made the final decision because it is still negotiating with a P3 partner who may or may not be interested in providing the maintenance.

Mr. Shahnazarian then inquired about the Security Operating Centers (SOC) and Network Operating Centers (NOC). Mr. DeBerry noted that from the beginning, the SNA Fiber Ring has been a middle-mile dark fiber network; there is no plan for an SNA SOC or NOC unless the SNA decides to provide lit fiber at a later date.

Discussion continued regarding the rate schedule or fees for leasing sections of the fiber ring. Mr. Lockaby presented a detailed description of the project participation agreement and how the leasing and rate schedule would be established. Mr. Lockaby noted that should the SNA ever offer lit fiber, a definitive rate schedule would need to be adopted by the SNA Board.

Mr. DeBerry continued with the project update noting that he, along with SNA legal counsel and CTC, met with GTS on April 20 to begin initial negotiations, and a proposed framework was presented. A second meeting with GTS was held May 10 to discuss specific technical aspects of the project. A third follow-up meeting is scheduled for May 20 where GTS will provide a high-level business framework proposal.

Mr. DeBerry noted that as things progress, a great deal of communication between CTC, Danella and city staff will be necessary. A shared file folder has been set up for the local Chief Information Officers (CIOs) and designated staff and will contain information that will allow the SNA and its partners manage the project and stay on track. CTC has developed an interactive map that will provide a snapshot of the project progress. In order to facilitate and improve communication during the construction process, a series of regular, bi-weekly stakeholder meetings have been scheduled. The first set of meetings will be with Mr. DeBerry, CTC and Danella to discuss high-level project coordination, and the second set of meetings will be work sessions between Mr. DeBerry, CTC and City CIOs/staff.

Closed Session

Chair Vitale called for a closed session and asked Mr. Lockaby to provide the language for the motion.

Motion to convene a closed session pursuant to subsection A.28 of § 2.2-3711 of the Code of Virginia, 1950, as amended, for the purpose of discussion or consideration of information subject to the exclusion in subdivision 11 of § 2.2-3705.6 by a responsible public entity; pursuant to subsection A.33 of § 2.2-3711 for the purpose of discussion or consideration by a local authority created in accordance with the Virginia Wireless Service Authorities Act (§ 15.2-5431.1 et seq.) of confidential proprietary information and trade secrets subject to the exclusion in subdivision 19 of § 2.2-3705.6; pursuant to subsection A.29 of § 2.2-3711 for the purpose of discussion of the award of a public contracting involving the expenditure of public funds, and discussion of the terms or scope of such contract, where discussion in open session would adversely affect the bargaining position or negotiating strategy of the public body; and pursuant to subsection A.6 of § 2.2-3711 for the purpose of discussion or consideration of the investment of public funds where competition or bargaining is involved, where, if made public initially, the financial interest of the governmental unit would be adversely affected, all specifically relating to PPEA negotiations with Global Technical Systems. And further to convene a closed session pursuant to subsection A.1 of § 2.2-3711 of the Code for the purpose of discussion of assignment, appointment, promotion, performance, demotion, salaries, disciplining, or resignation of specific public officers, appointees, or employees of the Authority, specifically relating to the Executive Director.

Mr. Lockaby also added as part of the motion that he, Mr. DeHaven, Mr. Crum, the city attorneys in attendance and the SNA alternate voting members in attendance be permitted in the closed session. Chair Vitale concurred with the addition.

Vice Chair McClellan Moved to proceed into closed session; seconded by Mr. Jones.

Roll Call Vote:

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

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:

Move to reconvene in open session and to certify by roll call vote, pursuant to subsection D of § 2.2-3712 of the Code of Virginia, that (i) only public business matters lawfully exempted from the open meeting requirements of the Freedom of Information Act and (ii) only such public business matters as were identified in the motion by which the closed session was convened were heard, discussed, or considered in the closed session.

Ms. Wilson Moved to certify that only public business matters lawfully exempted from open meeting requirements as identified in the motion were heard, discussed or considered in the closed session; seconded by Vice Chair McClellan.

Roll Call Vote:

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

The Motion Carried.

Old/New Business

Chair Vitale called for a motion to extend an offer of a contract to Mr. DeBerry for an additional 18 months at an annual salary of \$140,000 with a signing bonus in the amount of \$5,000 to be paid immediately on June 16, 2022.

Mr. Moor Moved to offer the contract and the signing bonus as previously outlined to Mr. DeBerry; seconded by Ms. Wilson. The Motion Carried.

Chair Vitale thanked Mr. DeBerry for his continued work on this project.

Mr. Lockaby stated he will draft Mr. DeBerry's new contract under the same terms and conditions as the existing contract and include the updated salary and signing bonus.

Mr. Crum announced the groundbreaking for the VATI project in Suffolk, Isle of Wight and Southampton will be 2:00 PM, June 14, 2022 at a location to be announced. He also announced that he and Mr. DeBerry met with Newport News Economic Development staff and the Peninsula Chief Administrative Officers. Work will soon begin on the Peninsula plan for their phase of the fiber ring.

Adjournment

With no further business to come before the Southside Network Authority, the meeting adjourned at 3:48 PM.