

**Southside Network Authority
Summary Minutes
July 8, 2022**

The July 8, 2022 meeting of the Southside Network Authority (SNA) was called to order by Chair Susan Vitale at 2:04 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
Catheryn Whitesell, Alternate NO	Daniel Jones, PO
Rosemary Wilson, VB*	

Other Participants:

Steven DeBerry, SNA Executive Director	Robert A. Crum, Jr., HRPDC Executive Director
Regina Chandler, Alternate SU	Matthew DeHaven, CTC Technology & Energy (via MS Teams)
Peter Wallace, Alternate VB	Mike Lockaby, Guynn, Waddell, Carroll & Lockaby, PC
Dr. Charles Kiriakou, Suffolk	
Jay Krail, Chesapeake	
Mimi Terry, Portsmouth	

**Indicates late arrival or early departure.*

Others Recorded Attending:

Jay Stroman (City of Chesapeake); Thomas Mueller (City of Suffolk); Andrew Fox (City of Norfolk); and Kelli Arledge, Rob Cofield, Dmitry Rekhter & Chris Vaigneur (HRPDC Staff).

Mr. Crum noted Ms. Tonya Chapman started as Portsmouth's new City Manager, and he has met with her to provide background information on several programs and initiatives in Hampton Roads, including the Southside Network Authority. Mr. Crum also recognized Dr. Charles Kiriakou, Suffolk's new IT Director.

Approval of the Agenda

Chair Vitale called for a motion to approve the agenda. Mr. Al Moor Moved to approve the agenda as presented; seconded by Ms. Catheryn Whitesell. 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 June 10, 2022 minutes. Ms. Rosemary Wilson Moved to approve the minutes; seconded by Mr. Daniel Jones. The Motion Carried.

Project Management Update

Mr. Steven DeBerry, SNA Executive Director, provided a brief update on the current status of construction and negotiations with GTS and the Public-Private Partnership (P3).

Mr. DeBerry reported that of the 119 total miles of the network, CTC will have completed approximately 80 miles by the end of the week of July 11, 2022. Seventy of those miles will be in CAD and considered complete in design. Mr. DeBerry and CTC representatives are working with the localities regarding right-of-way.

Initial conversations have begun with the Virginia Department of Environmental Quality (DEQ) and the Army Corps of Engineers (Corps). Mr. DeBerry noted that he does not foresee any issues, but wanted to get the conversations underway so Virginia DEQ and the Corps are fully informed and there are no surprises.

Danella is positioned to begin construction once final permitting is approved. The conduit is onsite and they have a field office in Chesapeake so Danella will have a presence and staff in Hampton Roads.

Mr. DeBerry reported that Virginia Beach has all the information needed for permitting. He anticipates it will take approximately three weeks for the City to complete its final permitting. Once it is turned over to the SNA, Danella will need two to three weeks for the dig request.

He is still awaiting the final signed lease agreements from the member localities' city councils. However, work has begun with permitting, and they are working the processes in parallel with one another. Mr. DeBerry noted a very aggressive timeline was formed for the project, but they are learning as they work through the process and hope to make it more seamless as they move through other localities.

Chair Vitale noted the aggressive timeline and wanted to know if any of the time that has been lost with the permitting issues could be made up in future phases. Mr. DeBerry replied affirmatively, noting that due to the work of CTC in terms of design, and once right-of-way is complete, a good portion of the fiber ring is between Chesapeake and Suffolk, and that area will be shovel-ready. Mr. DeHaven noted that once construction gets underway, the timeline is much more predictable.

Chair Vitale asked if all of the master lease agreements had been approved by the respective city councils. Mr. DeBerry noted that four of the five had been executed.

Mr. DeBerry reported negotiations continue with GTS. Progress continues with capturing necessary action items that will convert into a contractual document. He hopes to have more news on this at the next meeting.

Mr. Moor noted that railroad crossings, from a utility standpoint, can be difficult. He inquired if Danella had packaged the information to the railroads. Mr. DeBerry reported Danella has good relationships with the railroads and is working on that. There was one trouble spot, but that has been worked through. Mr. Moor said in the past it has taken four to six months to get railroad permits.

Mr. DeHaven said that while it's entirely possible that those permits may take four to six months, Danella may build right up to the edge of those crossings. He noted that early on before the final designs were complete, CTC was working on the standard designs for the crossings and consulting with each of the railroad owners on what their requirements would be. In general, the plan is to initially build up to either side of the railroad right-of-way and not allow progress to stop on either side so the project continues to move forward.

Mr. Jones stated that with the permits, the railroads require a special provision of the insurance. He inquired if the SNA has the special provision, and if not, who will be responsible for it. Mr. DeHaven noted it is a combination of the construction contractor's insurance, and then insurance is offered as part of the permit fee. Generally, it is standard practice where one is covered under their policy through a special rider that is extended to the construction firm.

Grant Opportunity: National Telecommunications and Information Administration (NTIA), U.S. Department of Commerce

Mr. DeBerry noted the National Telecommunications and Information Administration (NTIA) announced a Notice of Funding Opportunity for the Middle Mile Broadband Infrastructure Grant (MMG) program. The MMG program will provide \$1 billion in middle-mile broadband grant funding; after overhead, approximately \$980 million will be available nationwide for actual projects. Applications are due September 30, 2022, and grant awards will be announced March 1, 2023.

Mr. Crum provided a high-level overview, noting that the regional fiber network as envisioned and endorsed by the HRPDC has always been viewed as occurring in phases. The first phase is the Southside Fiber Ring in which the five Southside jurisdictions are connecting to the subsea cables in Virginia Beach. Phase two has been envisioned as extending that network through the Hampton Roads Bridge Tunnel and Monitor-Merrimac Memorial Bridge Tunnel to create a complementary ring on the Peninsula. Phase three would move toward the western portions of Hampton Roads. The phases were repositioned, moving Phase 3 forward with the award of the VATI grant, with groundbreaking scheduled for July 14, 2022.

Mr. Crum has held several discussions with the Chief Administrative Officers (CAOs) of the Peninsula; all are in different places as it relates to broadband. Newport News and Hampton have been very engaged and are interested in moving forward and submitting a grant application under the NTIA program. In order to move these applications forward, a consultant that understands the programs, the network and the complexities of putting such a proposal together is a necessity; he believes that is CTC. In discussions with the two cities, they are interested in a cost share to explore the opportunity to bring CTC on board to

prepare the application. They are also interested in discussing what their match would be for the grant.

In general, the idea is that a design would be created that would interconnect to the Southside through the tunnels, and the network would be set up for Hampton and Newport News. It would be expandable on the Peninsula for when other localities may want to come on board. Mr. DeBerry is working with Mr. DeHaven and the CTC team to set meetings with Newport News and Hampton to explore their options. Mr. Crum hopes to have an update at the next SNA meeting.

Ms. Whitesell asked how this arrangement would affect the funding agreement the SNA has in place for the second phase and who would be the granting fiscal agent. What would the current SNA's relationship be to the Peninsula set-up if it is assumed that their fiber network would tie into the SNA network currently under construction?

Mr. Crum noted that those are questions that still need to be addressed; however, there is a need to submit the applications before September 30. Hampton and Newport News will need to contract with CTC. For ease of submission, it may be easiest to submit the application through the HRPDC, and if the application is successful, then governance will need to be considered and worked out to the SNA's satisfaction.

Mr. DeBerry noted the extensive amount of work that will be involved in submitting this grant application, but stated CTC is willing to work with him, Mr. Crum, and the cities of Hampton and Newport News if it can be negotiated. Cooperative rider provisions for the current contract will need to be explored as well as what the Peninsula cities are able to do through the acquisition of professional services.

Mr. Jones asked if there has been any interest from the other Peninsula localities. Mr. Crum noted there has been. A Peninsula broadband planning committee has been set up with two representatives from each locality.

In the essence of time and determining the best path forward for the start of the Peninsula phase, Mr. Crum recommended that he and Mr. DeBerry continue to work with the Cities of Newport News and Hampton to work out a financial arrangement, and they will come back to the Authority with an update at a later date. Mr. Crum noted that Newport News and Hampton want to take the lead on this. Mr. Lockaby recommended they work with the cities' respective procurement offices as cooperative procurement cannot be used for CTC's work.

Chair Vitale reiterated that expansion to the Peninsula is something the Authority always planned to pursue, and this grant opportunity is a path forward.

Mr. Wallace asked for clarification on the necessary match needed for the grant. He wants to ensure that the five Southside cities currently in the SNA will not be expected to provide the matching funds. Mr. Crum stated that Newport News and Hampton both realize they will be responsible for providing the match for the grant. If this grant is successful, a governance discussion will need to be had to determine if the Peninsula localities join the SNA, do they have a contractual agreement with the SNA, or if they form their own authority. Mr. Lockaby

suggested that he develop a preliminary Memorandum of Understanding (MOU) for the Authority to review at the next meeting.

Mr. Wallace asked if CTC has the capacity to take on the Peninsula grant application project since they are currently working with the SNA. Mr. DeHaven noted that it would be a separate team working on the Peninsula project, but he has been assured they have the ability to take this on. It will not affect CTC's current project with the SNA.

Discuss continued on the grant application and how the Peninsula phase will fit into the current structure of the SNA. Chair Vitale reminded members that their initial vision was for this to be an inclusive network for the region and she believes the Authority should be a part of this process and assist the Peninsula localities as much as it can, noting the financial obligations the Peninsula will need to be prepared for. Ms. Wilson agreed and noted that she believed this was an incredible opportunity and would perhaps help the Authority reach its vision quicker. Chair Vitale asked that Mr. Crum and Mr. DeBerry continue assisting the Peninsula with the grant process.

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 its consortium. The closed session will also include the following individuals: Mr. DeBerry, Mr. Crum, Mr. Stroman, Mr. Lockaby, Mr. Fox, Mr. Mueller, and Ms. Chandler.

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

Roll Call Vote:

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

The Motion Carried.

**Ms. Wilson departs.*

Old/New Business

Mr. Crum made note of an announcement from the 2022 GO Virginia grant awards:

“The I-64 Innovation Corridor Global Internet Hub Growth Plan Initiative received \$100,000 from the GO Virginia grant awards. This project will be hosted by Henrico County and the City of Virginia Beach. Virginia Beach Economic Development will develop a strategic growth plan that positions the I-64 Corridor megaregion to become one of the world’s leading digital ecosystems. The project will create a Global Internet Hub and driving economic growth in the technology sectors in Regions 4 and 5, as well as the greater Commonwealth. The initiative’s approach will recruit a steering committee encompassing participating localities, RVA-757 Connects and private-sector energy and digital infrastructure companies.”

Adjournment

With no further business to come before the Southside Network Authority, the meeting adjourned at 3:40 PM.