

ORANGE COUNTY BROADBAND AUTHORITY MINUTES

DECEMBER 17, 2019

At a Regular Meeting of the Orange County Broadband Authority held on Tuesday, December 17, 2019, beginning at 4:00 p.m., in the Meeting Room of the Gordon Building, 112 West Main Street, Orange, Virginia. Present: James K. White, Chair; R. Mark Johnson, Vice Chair; S. Teel Goodwin; James P. Crozier; and Lee H. Frame. Also present: R. Bryan David, County Administrator; Thomas E. Lacheney, County Attorney; S. Lewis Foster, Broadband Program Manager; and Alyson A. Simpson, Chief Deputy Clerk.

RE: ADOPTION OF AGENDA

On the motion of Mr. Goodwin, seconded by Mr. Frame, which carried by a vote of 5-0, the Authority adopted the agenda, as presented. Ayes: Johnson, White, Goodwin, Crozier, Frame. Nays: None.

RE: CONSENT AGENDA

On the motion of Mr. Goodwin, seconded by Mr. Frame, which carried by a vote of 5-0, the Authority adopted the Consent Agenda, as presented. Ayes: Johnson, White, Goodwin, Crozier, Frame. Nays: None.

RE: APPROVAL OF MINUTES

As part of the Consent Agenda, the Authority approved the August 27, 2019 Regular Meeting minutes, as presented.

RE: APPROVAL OF MINUTES

As part of the Consent Agenda, the Authority approved the October 8, 2019 Regular Meeting minutes, as presented.

RE: NEW BUSINESS

RE: LEASE AGREEMENT WITH EQUINIX LLC CULPEPER FACILITY

Lewis Foster, Broadband Program Manager, explained that the Authority had previously discussed locating equipment at the Equinix Culpeper facility in order to access wholesale internet rates and to provide for a network ring for redundancy and reliability. He indicated that, based on the current costs and the quotes received from Equinix, the cost savings would be substantial.

Mr. Foster presented the Authority with a lease agreement for its consideration. He stated the agreement would allow access to a wider range of telecom service providers to reduce costs and to provide a gateway for new service providers in the County. Mr. Foster explained the initial term was 120 months, with renewals every 12 months. He reviewed the monthly costs associated with the lease, as well as the other terms to which Equinix had agreed.

Discussion ensued among the Authority regarding: the tour of the Equinix facility; and recognition of the cost savings staff had achieved through negotiations.

On the motion of Mr. Goodwin, seconded by Mr. Frame, which carried by a vote of 5-0, the Authority authorized the Chair to execute the *Master Country Agreement* with Equinix LLC, as presented.

Ayes: Johnson, White, Goodwin, Crozier, Frame. Nays: None.

RE: LEASE AGREEMENT WITH LUMOS NETWORKS INC. (SEGRA) FOR DARK FIBER

Lewis Foster, Broadband Program Manager, explained that he had contacted service providers in the area that had available dark fiber to extend the Broadband Authority's network into the Equinix Culpeper facility. He indicated that, after extensive research, only one provider, Segra,

had dark fiber available along Route 33 (Spotswood Trail). Mr. Foster reviewed the costs related to connecting to the Segra fiber on Route 33, which included approximately 3,500 feet of fiber.

Mr. Foster presented a lease agreement to the Authority for its consideration, which would allow the Broadband Authority to connect to the Equinix Culpeper facility from Barboursville using the dark fiber access through Segra. He summarized the one-time costs and annual costs of using Segra's dark fiber.

Discussion ensued among the Authority regarding: whether or not the negotiated rates and costs were in line with the market; and annual inflation costs.

On the motion of Mr. Crozier, seconded by Mr. Goodwin, which carried by a vote of 5-0, the Authority authorized the Chair to execute the *Dark Fiber Lease Agreement* with Segra, as presented.

Ayes: Johnson, White, Goodwin, Crozier, Frame. Nays: None.

RE: INDEFEASIBLE RIGHT OF USE (IRU) AGREEMENT WITH RAPPAHANNOCK ELECTRIC COOPERATIVE (REC) FOR DARK FIBER

Lewis Foster, Broadband Program Manager, explained that he had contacted service providers in the area that had available dark fiber to extend the Broadband Authority's network into the Equinix Culpeper facility. He indicated that, after extensive research, Rappahannock Electric Cooperative (REC) was the closest provider to the Authority's existing eastern footprint that offered a long-term agreement with an interconnect point near the intersection of Route 20 and Mine Run Road. Mr. Foster reviewed the costs related to connecting to the REC fiber, which included approximately 500 feet of fiber.

Mr. Foster presented a master agreement to the Authority for its consideration, which would allow the Broadband Authority to connect to the Equinix Culpeper facility from Mine Run using the dark fiber access through REC. He summarized the one-time costs and annual costs of using REC's dark fiber.

Discussion ensued among the Authority regarding: the guarantees against failure as outlined in the service level agreement.

On the motion of Mr. Crozier, seconded by Mr. Goodwin, which carried by a vote of 5-0, the Authority authorized the Chair to execute the *Master Agreement for Indefeasible Right of Use of Fiber* with Rappahannock Electric Cooperative (REC), as presented.

Ayes: Johnson, White, Goodwin, Crozier, Frame. Nays: None.

On the motion of Mr. Frame, seconded by Mr. Johnson, which carried by a vote of 5-0, the Authority authorized the distribution of the press release announcing the partnership between the Broadband Authority and Rappahannock Electric Cooperative (REC), as modified.

Ayes: Johnson, White, Goodwin, Crozier, Frame. Nays: None.

RE: AWARD OF THE CONTRACT FOR ENGINEERING AND CONSTRUCTION SERVICES

Amanda Amos, Procurement Coordinator, explained that the Authority had recently released a solicitation seeking proposals from qualified vendors to provide fiber optic engineering and construction management services for potential FY20 VATI Grants. The request for proposals was advertised on the County's website, in The Orange Review, and through eVA, Virginia's procurement website, and six (6) responses were received.

Ms. Amos indicated that prices were negotiated for as-needed professional services. Staff recommended awarding a one-year contract to Byers Engineering Company, with the possibility of four (4) additional renewals.

On the motion of Mr. Crozier, seconded by Mr. Goodwin, which carried by a vote of 5-0, the Authority awarded a contract to Byers Engineering Company for fiber optic engineering and construction management services for a period of one (1) year, with the possibility of four (4) additional renewals, as presented.

Ayes: Johnson, White, Goodwin, Crozier, Frame. Nays: None.

RE: CUSTOMER SERVICE ALTERNATIVES

Jim White, Chair, explained that Mr. Foster had conducted research regarding customer service expectations for broadband service providers. The most common theme was the desire for someone to be available 24/7/365 to assist customers with problems.

Mr. White stated that as the Broadband Authority continued to develop plans to serve the citizens, baseline customer service requirements should be established to be available to residents and businesses. He presented several options for the Authority to consider, including 1) the ISP being responsible for customer service; 2) the Broadband Authority staff providing certain services; and 3) awarding of a contract for 24/7/365 customer service to customers.

Discussion ensued among the Authority regarding: the need to manage citizen expectations; establishing customer service standards for any ISPs; troubleshooting capabilities; and the timing for making this decision.

The Authority took the information regarding the customer service alternatives under advisement, and there was no action taken at this time.

RE: CAPITAL IMPROVEMENTS BUDGET DISCUSSION

Lewis Foster, Broadband Program Manager, indicated that he had developed a budget of critical items needed to start-up the Authority's network, including connection to the Equinix Culpeper facility. He reviewed the various expenditures in the network budget, as well as the cash match funds committed through the potential award of the three (3) VATI Grant applications. Mr. Foster noted the total amount of funds based on the budget he developed, as well as the funds available through the bond proceeds, which left a deficit of \$1,532,850. He requested the Authority's consideration to request the Board of Supervisors to earmark the deficit amount in the available unassigned General Fund balance.

Discussion ensued among the Authority regarding: whether or not the expenditures should be included in the County's Capital Improvements Plan or a Broadband Capital Improvements Plan.

On the motion of Mr. Crozier, seconded by Mr. Goodwin, which carried by a vote of 5-0, the Authority requested the Board of Supervisors' consideration to earmark the deficit amount of \$1,532,850 in the available unassigned General Fund balance for the identified budget expenditures of the Broadband Authority.

Ayes: Johnson, White, Goodwin, Crozier, Frame. Nays: None.

RE: OLD BUSINESS

RE: FY2019-2020 OPERATING BUDGET DISCUSSION

Glenda Bradley, Assistant County Administrator for Management Services, provided a copy of the Broadband Authority's year-to-date budget report. She reminded the Authority that

when the FY20 Operating Budget was developed, there was little information known about specific expenditures of the Authority during its first fiscal year. As such, Mr. Foster had reviewed the budget and identified several items that would require partial year funding prior to the end of the fiscal year for a total of \$59,000.

Ms. Bradley explained that, barring any additional unforeseen expenditures before the end of the fiscal year, there appeared to be enough unencumbered funds available in the current Operating Budget to cover the expenditures. She stated that these expenditures would need to be budgeted for FY21 in the full amount, versus the partial year amount.

The Authority took the information regarding the Operating Budget update under advisement, and there was no action taken at this time.

RE: OTHER BUSINESS

RE: BROADBAND PROGRAM MANAGER REPORT

Lewis Foster, Broadband Program Manager, provided a report to the Authority, which included information on the following topics:

- Accomplishments to-date;
- Upcoming meetings; and
- A summary of current projects.

RE: INFORMATIONAL ITEMS

There were no Informational Items at this time.

RE: ADJOURN

On the motion of Mr. Goodwin, seconded by Mr. Frame, which carried by a vote of 5-0, the Authority adjourned the meeting at 4:52 p.m.

James K. White, Chairman

R. Bryan David, County Administrator