

## MINUTES

### Regular Meeting of the Board of Directors of the Eastern Shore of Virginia Broadband Authority

January 19, 2017

Board members in attendance were: John Andrzejewski, Pete Lalor, John Read, <sup>Reyton</sup> Steve Miner (via phone: remotely attending due to medical reasons), and Elaine Meil.

ESVBA management participating in the meeting who were in attendance: Nicholas Pascaretti and Leah Hoopes (Secretary)

Members of the public attending were:  
Emily Jones, Mike Zodun, Spencer Murray

Elaine Meil called the meeting to order at 2:00 pm.

#### **AGENDA ADOPTION**

*Mr. Lalor motioned to amend the agenda to remove the first closed session and move items 7b and 8a after the 4:30pm conference call. Ms. Meil asked that a policy for residential and small business rates offered by service area be added to the agenda.*

*Mr. Reiter seconded. Motion passed unopposed.*

#### **PUBLIC COMMENT**

Mr. Spencer Murray – Reiterated his thoughts on the expansion of broadband and encouraged the Broadband Authority to invest in other resources and consultants in order to move forward. Mr. Murray stated that the whole Northampton County Board is behind ESVBA 100%.

Ms. Emily Jones - Spoke about the need for getting a better service provider at her home in Melfa on Beacon Ln. Nuebeam and ESC cannot currently provide service to them.

Mr. Mike Zodun – Thanked the ESVBA as the primary service provider to ESRH. As a resident, Mr. Zodun stated that he has alternatives but would like to see it more available to the public.

#### **REVIEW OF MINUTES**

*Mr. Lalor moved to amend the minutes to reflect that his remote attendance was due to a medical emergency.*

*Mr. Andrzejewski seconded. Motion passed unopposed.*

## **STATUS REPORT**

1. Bloxom Tower Construction- Mr. Pascaretti provided an update stating that the tower is complete, a WiFi Hotspot is in service and they're waiting on a lease agreement from a service provider.
2. Harborton Fiber to the Home- Mr. Pascaretti stated that 6 customers have signed contracts and 3 are in service. Mr. Reiter asked if the basic installation for Harborton was complete. Mr. Pascaretti informed him that it was.
3. Town Broadband Initiative Program (BIP)- No new updates.
4. WiFi Hotspots- Mr. Pascaretti gave an update that Exmore is now in service and Parksley should be in service by January 20th. Cape Charles is still deciding where to place the WiFi and Mr. Pascaretti has a meeting scheduled to discuss the Old Mary Nottingham Smith School WiFi hotspot.
5. VDOT Road Jobs- No new updates.
6. Service Level Metrics-
7. WISP EVPL Program- Mr. Pascaretti informed the board that 16 sites are in service and 2 more sites are in contract and waiting for installation. He also stated that there has been increases to bandwidth at several of the sites.  
Mr. Reiter asked for a cost update on Harborton at the next meeting. Mr. Lalor asked what the expected costs are and Mr. Pascaretti stated that a rough estimate is \$1000 per subscriber, excluding the backbone. Mr. Reiter commented to the minutes regarding Harborton that it was meant to be a test to determine the costs and any kind of issues that may arise with residential broadband and that the board has not made any decision to go into the residential/small business retail service. He also stated that the ESVBA started in Harborton because Accomack County needed some assurance that they could provide service for the 400 families of the Navy Trident Program. Mr. Miner objected and stated that this was not his understanding. He asked that the record state that Accomack County and he did not ask for this to be done.

Mr. Miner commented that Accomack County was looking for a way of providing service if necessary, including possible fiber to the home.

## **NEW BUSINESS**

### **a. New Chairperson for ESVBA Board**

*Mr. Reiter moved to elect Elaine Meil as Chairman and Mr. Andrzejewski as Vice Chairman. Mr. Lalor seconded. Motion passed unopposed.*

### **b. Network Extension Request Form/Process**

Item 'b' was moved to after the 4:30 conference call with CTC.

### **c. Policy for residential and small business rates offered by service area (added by Ms. Meil)**

Ms. Meil stated that when the ESVBA offers residential and small business rates that the counties need to have some say in it. Her draft policy is *"Prior to offering the ESVBA residential and small business rates, in a new service area in a local jurisdiction, ESVBA will seek approval from the local governing body."*

Mr. Reiter asked, why? Mr. Miner asked where it came from. Ms. Meil stated that she thinks it's important for the ESVBA to be responsive to the local governments and make sure they have some say in rates.

Mr. Miner asked that the Executive Director draft a policy and add discussion on the policy to the agenda for the next meeting.

**Treasurer's Report-** Mr. Reiter stated that the revenues are still increasing and that last year the ESVBA's revenue increased by approximately 18% and the balance sheet is looking good. Mr. Reiter also stated that the ESVBA should be looking to expand coverage supported by its bank account. Mr. Miner stated that this is one of the bright spots.

## **OLD Business**

### **a. CTC Rate Study Follow Up**

Ms. Joanne Hovis, from CTC, joined the meeting via a conference bridge. Mr. Miner explained that he spoke with Ms. Hovis about the previous rate study and how CTC can help develop a business model for ESVBA. Ms. Hovis stated ESVBA's operations are very impressive and that its rates are very much in line with ESVBA's peers and market. She spoke about ways to use the ESVBA's assets to invest in public private partnerships that would potentially extend last mile deployment. Mr. Lalor asked if there is some standard for IRR or ROI and what is the measure to demonstrate

success. Ms. Hovis spoke about the economic benefits to the community. Ms. Meil asked the cost of the last study CTC did. Ms. Hovis stated that ESVBA should budget \$40K to \$50K. Mr. Reiter asked the length of time to complete a study. Ms. Hovis suggested a 4-6 month work plan.

After the call, Mr. Andrzejewski stated that the scope of work may need to be revised to reflect ROI and non-quantifiable factors. Mr. Lalor suggested that a committee be formed to better define a scope of work and develop a budget for the undertaking. Mr. Miner wanted to stick to his motion and voided concern that a committee may slow the process and that \$50K was a steal and that it would be money well spent. Mr. Andrzejewski asked Mr. Miner if he felt that his motion should be modified or edited in a week or two from now and also stated that the scope may not be broad enough.

*Mr. Miner moved to adopt the following scope of work (attached) and immediately seek assistance in getting it accomplished by either CTC or another well-qualified professional broadband services advisor. As part of the motion, the board or its chair shall establish a committee to interface with the knowledge provider and this work shall be solely coordinated between the provider and the Committee and reported out by the Committee Chair. Mr. Andrzejewski seconded.*

*After discussion, the motion was amended to form a committee of Elaine Meil and John Reiter to review and refine the scope of work. Motion passed unopposed.*

*Mr. Reiter moved to hire CTC immediately after the committee finishes the scope of work. Mr. Miner seconded. Motion passed unopposed.*

A committee was created consisting of Mr. Reiter and Ms. Meil.

Ms. Meil asked for a motion to table the agenda items Network Extensions Request Form and Rate Study follow up. Mr. Reiter was in favor of tabling the Rate Study follow up but not the Network Extension Request. Mr.

Andrzejewski stated that he felt the extension request is tied to the new CTC undertaking. Mr. Reiter voiced concern about delay and suggested cutting installation costs in half. Mr. Miner voiced concern about setting ad hoc policy.

### **CLOSED SESSION**

Motion to enter into closed session according to Section 2.2-3711 of the Code of Virginia of 1950, as amended; ) Paragraph 7: Consultation with legal counsel and briefings by staff members, consultants, or attorneys pertaining to actual or probably litigation, and consultation with legal counsel employed or retained by the Authority regarding specific legal matters requiring the provision of legal

advice by counsel. Paragraph 34: 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 records and trade secrets excluded from this chapter pursuant to subdivision 19 of § 2.2-3705.6 made by Mr. Lalor, seconded by Mr. Reiter. The following board members were present Mr. Lalor, Mr. Reiter, Ms. Meil and Mr. Andrzejewski and voted affirmative.

After closed session, the Chair reconvened the meeting. Motion was made by Mr. Reiter, seconded by Mr. Lalor that the Board had entered the closed session for that purpose as set out in Paragraph 7 and Paragraph 34 of Section 2.2-3711 of the Code of Virginia of 1950, as amended. Roll call vote taken Vote was that no other business discussed than as advised in Paragraph 7 and 34. The following board members were present Ms. Andrzejewski, Mr. Reiter, Ms. Meil, and Mr. Lalor and voted affirmative.

#### **MOTION**

*Mr. Andrzejewski moved to authorize the Executive Director to negotiate the contract under the terms directed by the board in closed session. Mr. Reiter seconded. Motion passed unopposed.*

#### **MOTION**

*Mr. Miner motioned to accept the request to eliminate the contract with DNG. Mr. Andrzejewski seconded. AYE:2 NAY:3, Motion did not pass.*

*Mr. Lalor moved to offer DNG the option to be relieved of the 2016 contract and continue compliance with the 2015 contract with the price reduction for 60 months. Mr. Reiter seconded. AYE:3 NAY:2, Motion passed.*

#### **Board Comment**

Mr. Miner made a comment to clarify that fiber to the home in Harborton was not his intention but was hoping the Authority could come up with a way to get broadband to the families of the sailors. He believes that the Broadband Authority should not be a last mile provider.

Mr. Lalor stated that to his recollection Accomack County needed to be able to commit to bringing fiber to the home for 500 sailors.

Mr. Reiter motioned to recess until 4:20pm. Mr. Lalor seconded. Motion passed unopposed.

Ms. Meil called the meeting to order at 4:24pm

**MOTION**

*Mr. Reiter moved to table the other 2 items until the next meeting. Mr. Lalor seconded.*

*After discussion, Mr. Miner moved to amend the motion to be open to any offers while waiting for the results of the study.*

*Motion passed unopposed.*

**ADIJOURNMENT**

*The meeting was adjourned at 5:40pm.*

These minutes were approved at the March 16, 2017 meeting of the Board of Directors of ESVBA.

Frank Meil  
Presiding Officer

Copy teste:

Leah Hoopes  
Leah Hoopes, Secretary