



**Regular Meeting of the Board of Directors of the
Eastern Shore Broadband Authority
July 28th, 2022
2:00 p.m. at 4174 Lankford Hwy, Exmore, VA 23350**

AGENDA

- 1. Call to Order**
- 2. Agenda Adoption**
- 3. Public Comment**
- 4. Approval of Minutes**
- 5. System Status & Build Report**
- 6. New Business**
 - a. VATI FY23**
- 7. Treasurers Report**
- 8. Board Comments**
- 9. Closed Session**
 - a. Personnel Discussion** (Section 2.2-3711 Paragraph 1) ⁽¹⁾
 - b. New Business Opportunity** (Section 2.2-3711 Paragraph 33)
 - c. Contracted Revenue** (Section 2.2-3711 Paragraph 33) ⁽⁴⁾
- 10. Adjournment**

Next Board Regular Meeting: September 29nd, 2022

1. Closed Session: Section 2.2-3711 of the Code of Virginia of 1950, as amended; (A) Paragraph 1. Discussion, consideration, or interviews of prospective candidates for employment; assignment, appointment, promotion, performance, demotion, salaries, disciplining, or resignation of specific public officers, appointees, or employees of any public body.

2. Closed Session: Section 2.2-3711 of the Code of Virginia of 1950, as amended; Paragraph 3: Discussion or consideration of the acquisition of real property for a public purpose, or of the disposition of publicly held real property, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the public body.

3. Closed Session: Section 2.2-3711 of the Code of Virginia of 1950, as amended; Paragraph 29: Discussion of the award of a public contract involving the expenditure of public funds, including interviews of bidders or offerors, and discussion of the terms or scope of such contract, where discussion in an open session would adversely affect the bargaining position or negotiating strategy of the public body.

4. Closed Session: Section 2.2-3711 of the Code of Virginia of 1950, as amended; Paragraph 33: 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.

MINUTES

Annual Meeting of the Board of Directors of the Eastern Shore of Virginia Broadband Authority

May 19, 2022

Board members in attendance were: Mike Mason, John Reiter, Charles Kolakowski, and Kelvin Pettit

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

Mr. Reiter called the meeting to order at 2:00 pm.

AGENDA ADOPTION

Mr. Mason moved to adopt the agenda. Mr. Kolakowski seconded. Motion passed unopposed.

PUBLIC COMMENT

None

MOTION

Mr. Kolakowski motioned to nominate John Reiter to serve as the Chairman of the ESVBA board, Ms. Meil as Vice Chairman, Mike Mason as Treasurer, and appoint Leah Hoopes as Secretary. Mr. Pettit seconded. Motion passed unopposed.

ADJOURNMENT

Mr. Mason moved to adjourn at 2:02pm

These minutes were approved at the _____ meeting of the Board of Directors of ESVBA.

Presiding Officer

Copy teste:

Leah Hoopes, Secretary

MINUTES

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

May 19, 2022

Board members in attendance were: John Reiter, Mike Mason, Charles Kolakowski, and Kelvin Pettit.

ESVBA management participating in the meeting who were in attendance: Robert Bridgham (via zoom) and Leah Hoopes (Secretary)

Members of the public attending were: Rick Willis and Sue Mastyl

Mr. Reiter called the meeting to order at 2:02 pm.

AGENDA ADOPTION

Ms. Kolakowski moved to adopt the agenda. Mr. Mason seconded. Motion passed unopposed.

PUBLIC COMMENT

Sue Mastyl spoke about the need for broadband coverage and the high install costs.

Rick Willis spoke about the possible funding for hotspots for migrant camps. Mr. Mason asked that information on the VATI grant budget be added to the Status Report.

Mr. Bridgham explained that there are programs that help with installation costs and about \$2.2M will be applied towards special construction for VATI covered areas. There will be a new page on the ESVBA website dedicated to VATI updates.

REVIEW OF MINUTES

Mr. Mason moved to approve the Regular Board Meeting Minutes from March. Mr. Kolakowski seconded. Motion passed unopposed.

SYSTEM STATUS & BUILD REPORT

1. WiFi Hotspots- There are currently 27 hotspots in service.
2. Residential Broadband- Mr. Bridgham reported that the Authority has 2,218 active residential customers. He stated that there are 53 customers in service in Harborton, 27 in Bobtown, 76 in Church Neck, 66 in Sanford, 40 on Cheapside, 4 on Cobbs Station, 101 in Accomac, 7 in Townsend, 123 in Greenbackville, 63 in Atlantic, 73 in Wattsville/Horntown, 62 in Oak Hall, 85 in Hallwood, 66 in Painter/Quinby, 57 in Eastville, 88 in Nassawadox, 7 in Oyster, 233 in Exmore, 72 in Belle Haven, 44 in Cheriton, 35 in Wachapreague, 340 in Onancock, 203 in Cape Charles, 151 in Parksley, 5 in Nocks Landing, 39 in Saxis, 7 on Chincoteague, and 91 on Tangier. Mr. Bridgham presented a new report showing the number of turn-ups per month and the average install per month.
3. WISP EVPL Program- Mr. Bridgham informed the BOD that 58 sites are in service, 1 new site is on-order and underway.
4. Microcommunity Program- There are 36 communities that are in service and 2 others that are in various stages of progress.
5. ACP Program- The program had 80 subscribers in the month of April.
6. VATI FY22 Status- Mr. Bridgham announced that all filings required by DHCD have been completed and were submitted on or before the deadline. The easements for the construction of Captain's Cove have been executed and ESVBA is awaiting the execution of the contract. The preliminary materials list for the construction has been out to bid, evaluated, and the intent to award has been placed.
Mr. Kolakowski asked what the main reason is for residential customers terminating service.
Mr. Bridgham explained that the number one reason customers disconnect service is due to relocating. He stated that the Authority is looking into a grant to work with the local schools/Community College to assist in educating the public on broadband.

OLD BUSINESS.

- a. Present costs for migrant worker camps-** Mr. Bridgham presented the BOD with a cost estimate for local migrant worker farm camps.
Mr. Mason asked how portable the solar power option would be.
Mr. Bridgham explained that the poles would be set in the ground by foundation so you could move the equipment but it would not be very cost effective to do so.

NEW BUSINESS

- a. FY2023 Budget-** Mr. Bridgham presented the BOD with the FY23 budget, along with an organization chart. The salaries that are included in the wages and benefit section do include the fully loaded costs as part of the salary compensation study. The 5-year pole survey accrual has also been added along with the current balance of the existing accrual accounts. The fuel expense account was increased.
Mr. Mason asked for more information on the pole survey.
Mr. Bridgham explained that the agreement states that the ESVBA would share component costs with ANEC to do a pole survey every 5 years.
Mr. Kolakowski motioned to adopt the FY23 Budget. Mr. Mason seconded. Motion passed unopposed.
- b. VATI FY23 -** The guidelines are available for VATI FY23 and it could help the ESVBA reach the last 25% of the Eastern Shore that's unserved.
Mr. Mason stated that he is concerned with the six-month overlap and the work load. He would like to explore the concept of the Broadband Authority bonding for the local match with the financial advisers.
Mr. Mason moved to have the Executive Director to craft a Letter of Intent. Mr. Kolakowski seconded. Motion passed unopposed.

TREASURER'S REPORT

None

BOARD COMMENTS

Mr. Pettit stated that he would be interested in learning more about the migrant camps and looking into creating a partnership with the farmers to help cover the costs.

ADJOURNMENT

The meeting was adjourned at 3:08pm.

These minutes were approved at the _____ meeting of the Board of Directors of ESVBA.

Presiding Officer

Copy teste:

Leah Hoopes, Secretary



Status Report July 2022

Status Report Topics

1. WiFi Hotspots
2. Residential Broadband
3. WISP EVPL Program
4. Microcommunity Program
5. ACP Program
6. VATI FY22 Status

WiFi Hotspots

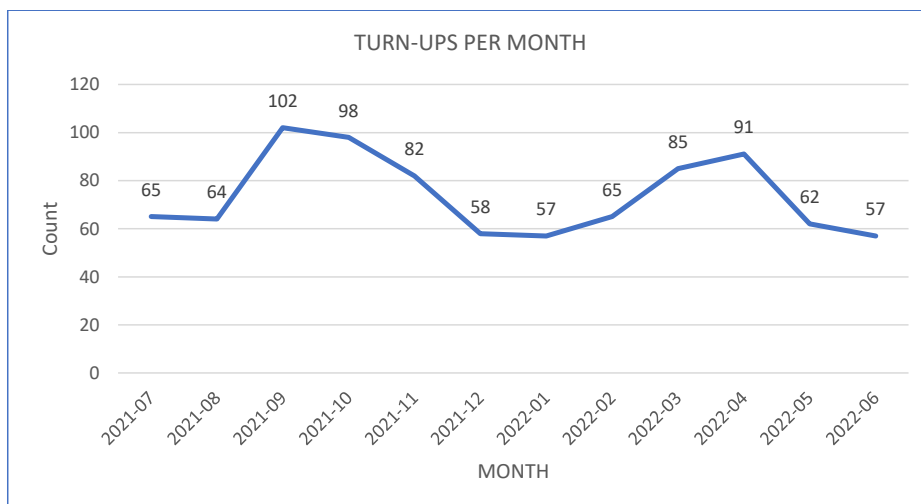
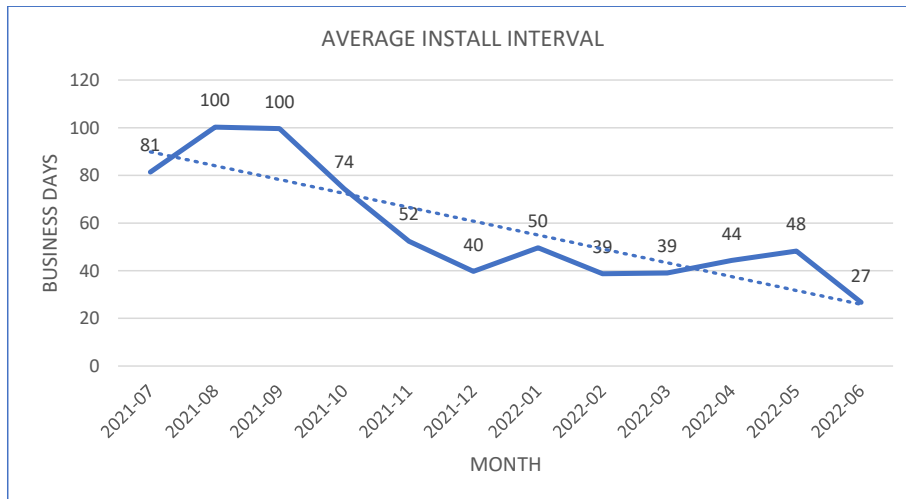
- 26 of 27 WiFi Hotspots online and the report is attached, Ebenezer Church is still offline without any point of contact to repair the downed node.

Residential Broadband

Residential Report as of 7/25/2022

Area	Date Opened	# of Homes	Number of Active Customers	% Active Customers	Number of Signed customers pending construction	% Signed awaiting install	Combined Take Rate (active + signed)	Number of customers with contracts	% Awaiting cust signature
Harborton	Nov-16	142	56	39.44%	0	0.00%	39.44%	2	1.41%
Bobtown/Pungoteague/Keller	Mar-17	513	29	5.65%	1	0.19%	5.85%	1	0.19%
Church Neck	Mar-17	157	75	47.77%	2	1.27%	49.04%	0	0.00%
Sanford	Dec-17	306	69	22.55%	0	0.00%	22.55%	1	0.33%
Cheapside	Dec-17	197	40	20.30%	0	0.00%	20.30%	0	0.00%
Cobbs Station	Dec-17	105	4	3.81%	0	0.00%	3.81%	0	0.00%
Accomac	Dec-17	648	108	16.67%	0	0.00%	16.67%	0	0.00%
Townsend/Latimer Siding	Jan-18	80	7	8.75%	0	0.00%	8.75%	0	0.00%
Greenbackville	Jan-18	294	139	47.28%	7	2.38%	49.66%	0	0.00%
Atlantic	Mar-18	219	64	29.22%	2	0.91%	30.14%	0	0.00%
Wattsville-Horntown	Mar-18	262	86	32.82%	8	3.05%	35.88%	0	0.00%
Oak Hall	May-18	218	66	30.28%	1	0.46%	30.73%	2	0.92%
Hallwood	May-18	740	98	13.24%	5	0.68%	13.92%	6	0.81%
Quinby/Painter	Jun-18	354	69	19.49%	4	1.13%	20.62%	2	0.56%
Eastville	Jun-18	436	79	18.12%	5	1.15%	19.27%	6	1.38%
Nassawadox	Aug-18	455	97	21.32%	7	1.54%	22.86%	2	0.44%
Oyster	Aug-18	87	8	9.20%	0	0.00%	9.20%	0	0.00%
Exmore	Sep-18	740	247	33.38%	4	0.54%	33.92%	5	0.68%
Belle Haven	Sep-18	478	81	16.95%	3	0.63%	17.57%	1	0.21%
Cheriton	Oct-18	236	43	18.22%	1	0.42%	18.64%	0	0.00%
Wachapreague	Oct-18	300	35	11.67%	1	0.33%	12.00%	1	0.33%
Onancock	Nov-18	1907	370	19.40%	8	0.42%	19.82%	8	0.42%
Cape Charles	Nov-18	910	231	25.38%	5	0.55%	25.93%	5	0.55%
Parksley	Jan-19	896	160	17.86%	6	0.67%	18.53%	1	0.11%
Nocks Landing	Jan-19	88	5	5.68%	0	0.00%	5.68%	0	0.00%
Chincoteague	Jan-19	1345	11	0.82%	0	0.00%	0.82%	0	0.00%
Saxis	May-20	248	40	16.13%	1	0.40%	16.53%	0	0.00%
Tangier	May-21	342	106	30.99%	6	1.75%	32.75%	3	0.88%

Totals: 12,703 2,423 77 46



WISP EVPL Program

- Fifty-eight (58) sites in service, one (1) new sites on-order and underway (one has been on hold for quite some time).

Microcommunity Program

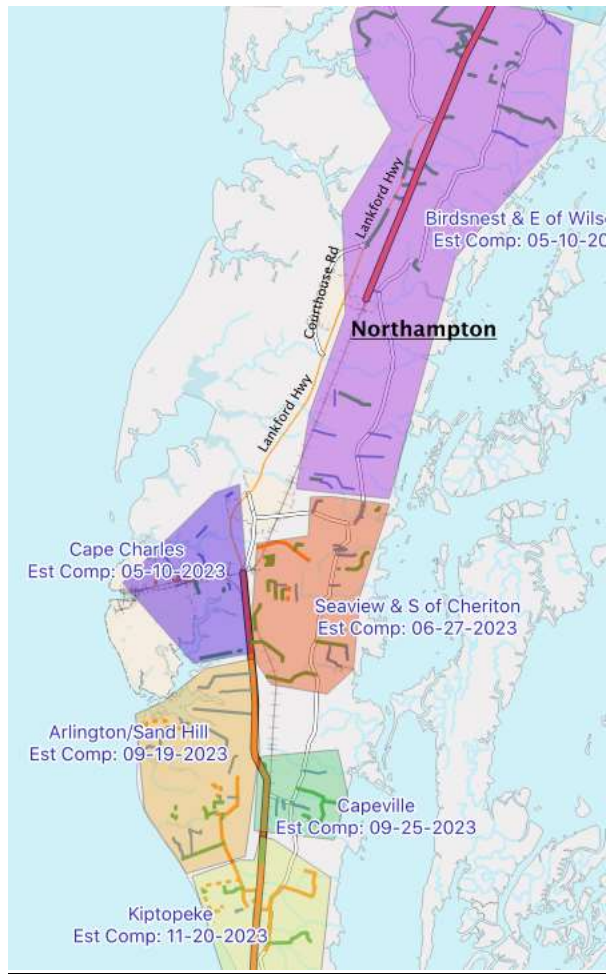
- There now 38 microcommunities in-service and operational, one (1) being constructed currently that are 17-homes to come online, and one that pulled back to await VATI FY22.

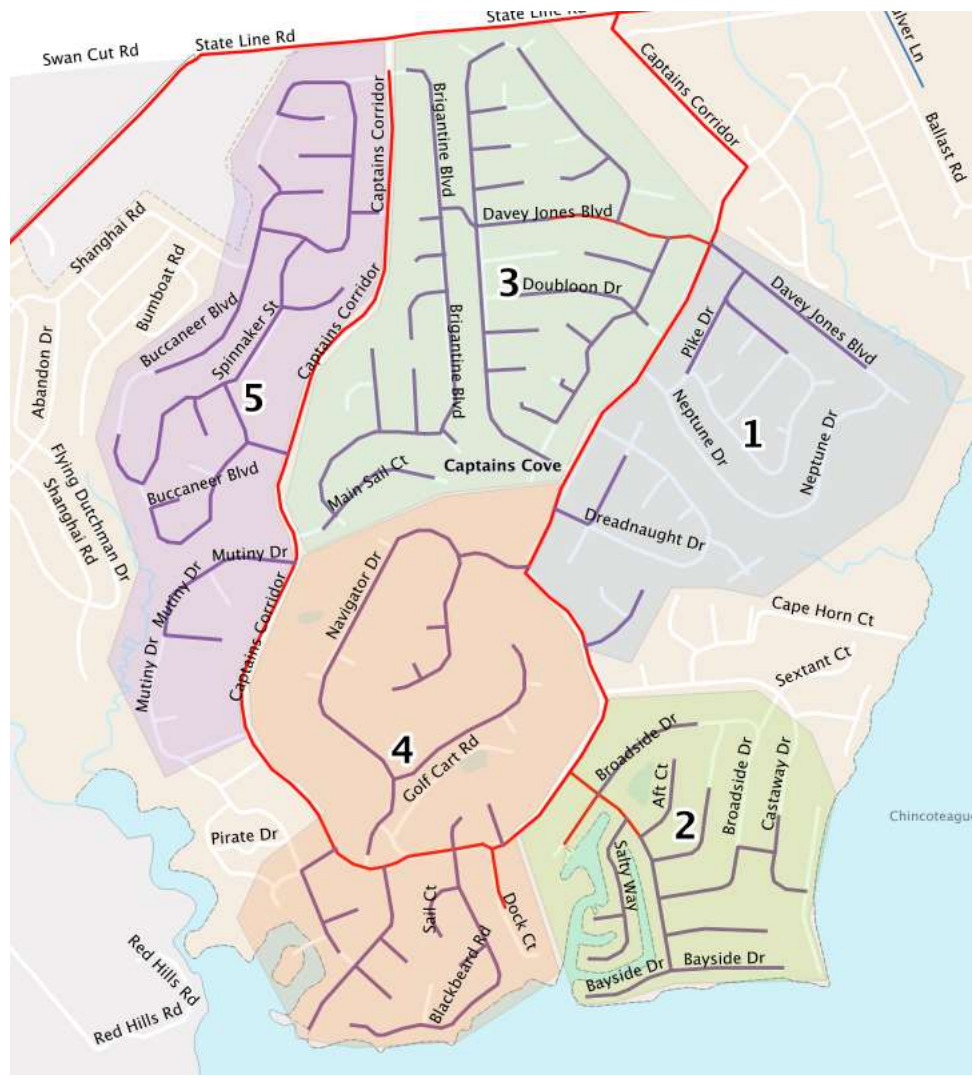
ACP Program

- As of June, we have 80 residents enrolled in the EBB program and have claimed and saved \$2,400 for those 80 people.

VATI FY22 Status

- As of this report, the DHCD contract is in place and the project is underway. We have started construction in section #3 of Captains Cove as well as the aerial construction in area 14 which is Kiptopeke and South Eastern Northampton County. See maps below for area boundaries that are under construction.
- Area 14 has 45,000ft of the 55,000ft of strand placed and we have placed approximately 5000ft of 96-count and starting to working on the lower counts. This is approximately 25% of the area completed.
- Captains cove has approximately 15,000ft of conduit placed of the 31,000ft placed and handholds along the way. Fiber has not been placed yet so this is approximately 28% complete.
- We are being told that the materials we ordered for the project are going to start to be delivered within the next few weeks. The yard is prepared and we are awaiting these deliveries.
- We have already done our first monthly report to DHCD in July indicating the progress we have already completed.





Eastern Shore of Virginia Broadband Authority Wireless Hotspot Report: July 2022

Overview



Total APs

25

Total Traffic

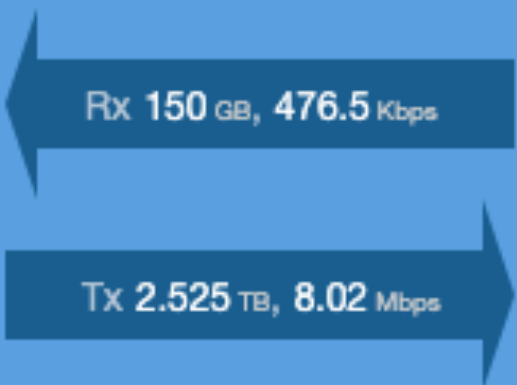
2.672 TB

Avg Rate

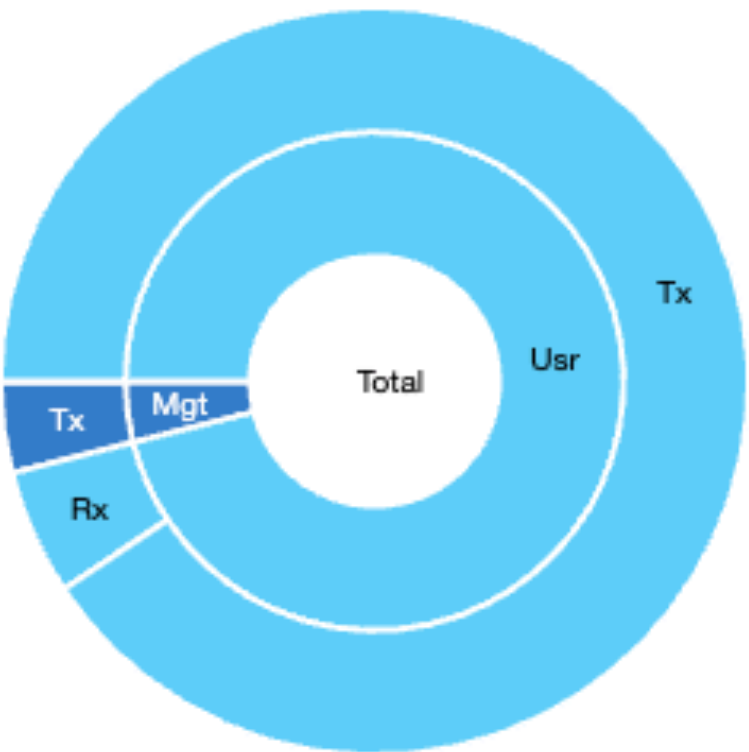
8.485 Mbps

Total Clients

2.734 k



Traffic Distribution

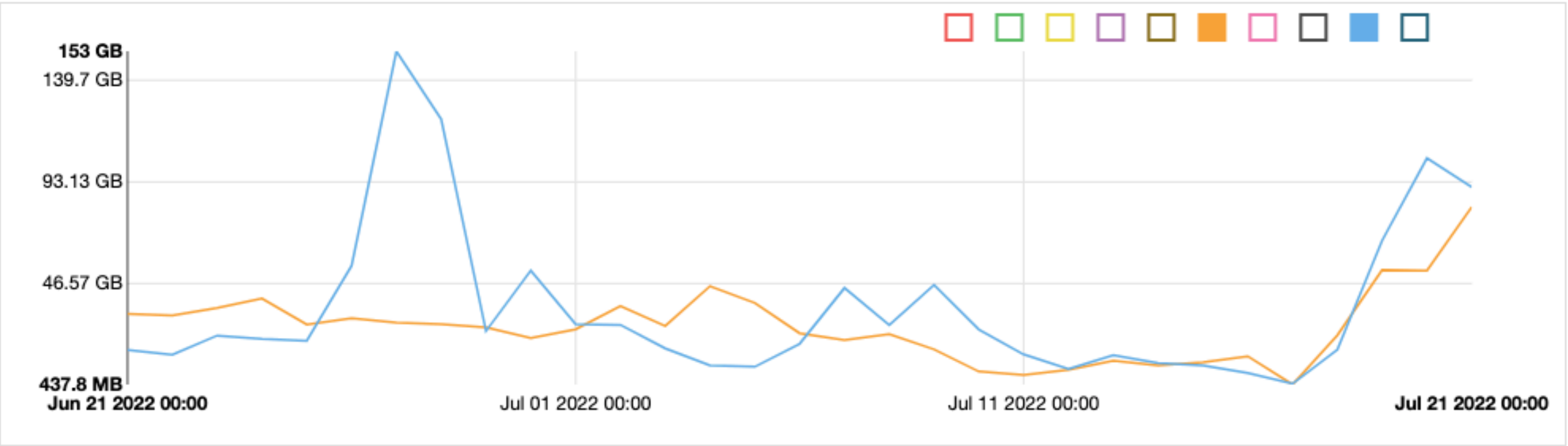
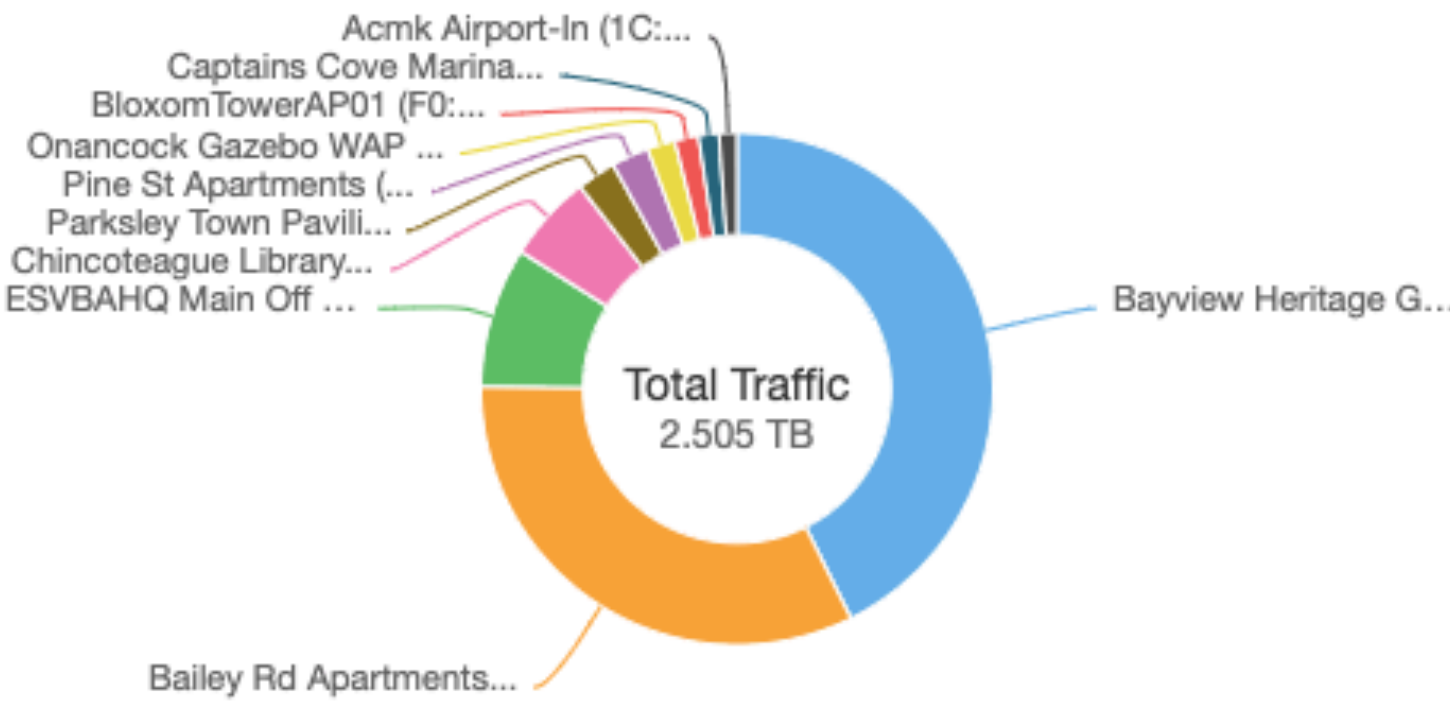


Top APs by Traffic



Total Traffic

1 day



ESVBA Sites

PRODUCT
IBR900

NCOS VERSION
7.22.40

ACCOUNT
Accomack County School Dist, VA

[Home](#)

GeoView

Routers

Data Usage

Health

Settings



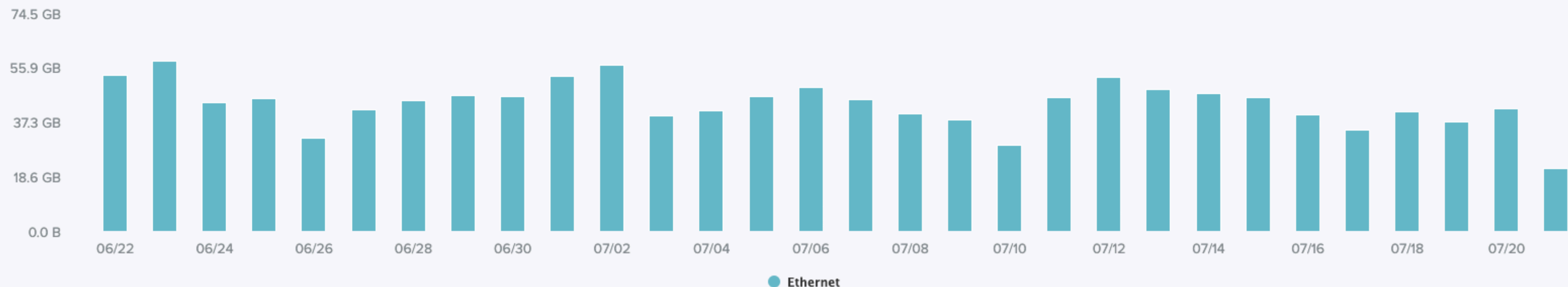
Summary



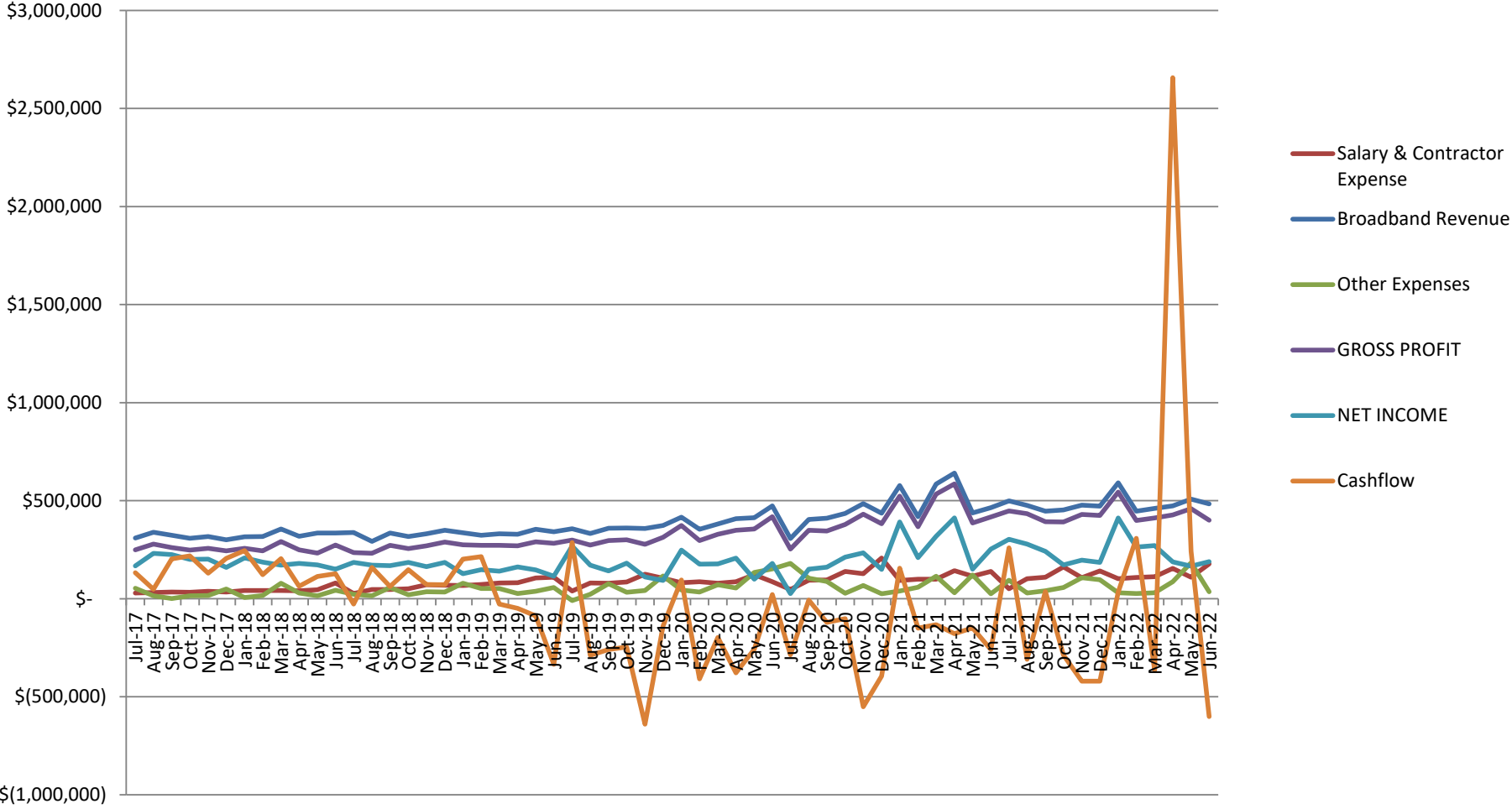
WAN



Client

[illegible]

Jul '17 to Jun '22 Financials



Eastern Shore of Virginia Broadband Authority
Board Income Statement
May 2022, Jun 2022

Financial Row	May 2022 Amount	Jun 2022 Amount	Total Amount
Income			
40000 - Broadband Income			
Education Income	\$27,670	\$27,670	\$55,340
Enterprise Income	\$45,897	\$44,908	\$90,805
Government Income	\$9,578	\$9,578	\$19,157
Medical Income	\$10,272	\$10,294	\$20,566
Other Income	\$0	\$1,060	\$1,060
Residential Income	\$191,836	\$183,226	\$375,062
Wholesale Income	\$184,421	\$182,829	\$367,250
Total - 40000 - Broadband Income	\$469,674	\$459,565	\$929,239
40900 - Installation Income			
Enterprise Income	\$1,250	\$750	\$2,000
Government Income	\$19,800	\$0	\$19,800
Medical Income	\$500	\$0	\$500
Residential Income	\$15,225	\$23,350	\$38,575
Wholesale Income	\$1,051	\$1,051	\$2,102
Total - 40900 - Installation Income	\$37,826	\$25,151	\$62,977
46400 - Other Income			
Other Income	\$0	\$1,121	\$1,121
Wholesale Income	\$150	\$150	\$300
Total - 46400 - Other Income	\$150	\$1,271	\$1,421
46460 - Interest Income			
Other Income	\$110	\$107	\$217
Total - 46460 - Interest Income	\$110	\$107	\$217
Total - Income	\$507,760	\$486,094	\$993,854
Cost Of Sales			
50100 - Cost of Goods Sold:Internet Access	\$7,678	\$6,678	\$14,357
50300 - Cost of Goods Sold:3rd Party Dark service	\$27,398	\$27,398	\$54,796
50400 - Cost of Goods Sold:Utility Locates	\$258	\$271	\$529
50500 - Cost of Goods Sold:Pole Attachments	\$0	\$175	\$175
50600 - Cost of Goods Sold:3rd Party Transport	\$9,849	\$39,599	\$49,448
51010 - Cost of Goods Sold:Collocation/Hut Expense:Utilities	\$2,860	\$3,255	\$6,115
51020 - Cost of Goods Sold:Collocation/Hut Expense:Phone, Communic.	\$142	\$142	\$283
51030 - Cost of Goods Sold:Collocation/Hut Expense:Fuel	\$102	\$84	\$186
51090 - Cost of Goods Sold:Collocation/Hut Expense:Maintenance	\$311	\$5,651	\$5,961
Total - Cost Of Sales	\$48,598	\$83,252	\$131,850
Gross Profit	\$459,162	\$402,842	\$862,004
Expense			
61200 - Payroll Expenses:Wages & Benefits	\$110,182	\$0	\$110,182
62200 - Sales and Marketing:Marketing and Promotions	\$0	\$35	\$35
63100 - Travel and Meetings:Conference, Convention, Meeting	\$0	\$1,165	\$1,165
63200 - Travel and Meetings:Mileage/Tolls Reimbursement	\$0	\$425	\$425
63400 - Travel and Meetings:Meals & Entertainment	\$27	\$1,054	\$1,081
63500 - Travel and Meetings:Other Travel	\$931	\$1,725	\$2,656
64100 - Advertising Expenses	\$372	\$63	\$435
64200 - Bank Charges & Fees	\$2,451	\$2,730	\$5,181
64320 - Dumpster/Trash Removal	\$220	\$226	\$446
64350 - Interest Expense	\$83,314	\$0	\$83,314
64360 - Insurance - Liability, D and O	\$800	\$13,799	\$14,599
64370 - Janitorial Services	\$640	\$620	\$1,260
64400 - Office Supplies & Expense	\$612	\$183	\$796
64420 - Printing and Copying	\$1,539	\$477	\$2,016
64450 - Postage, Mailing & Shipping	\$334	\$536	\$870
64460 - Office IT Hardware/Software	\$1,604	\$2,930	\$4,535
64470 - Office Maintenance & Repair	\$1,460	\$713	\$2,173

64480 - Rent or Lease Payments	\$64,950	\$0	\$64,950
64490 - Office Utilities	\$326	\$0	\$326
64630 - Staff Development	\$0	\$636	\$636
64700 - Taxes	\$753	\$753	\$1,506
64750 - Telephone & Telecommunications	\$566	\$566	\$1,132
64760 - Mobile Phones	\$0	\$600	\$600
65100 - Professional Services:Accounting & Administration	\$8,600	\$0	\$8,600
65200 - Professional Services:Legal Fees	\$4,798	\$1,980	\$6,778
67300 - Vehicle Fuel	\$3,845	\$5,738	\$9,582
67400 - Vehicle & Equip Maintenance & Repair Expenses	\$1,274	\$1,543	\$2,817
68200 - Physical Plant Permits & Fees	\$937	\$1,340	\$2,277
68330 - Physical Plant/Inventory Disposed Items	\$572	-\$4,437	-\$3,865
68400 - Physical Plant Tools & Safety Equipment	\$47	\$821	\$867
68500 - Physical Plant Shipping Freight & Delivery	\$4,195	\$290	\$4,485
Total - Expense	\$295,348	\$36,509	\$331,857
Net Income	\$163,814	\$366,333	\$530,147

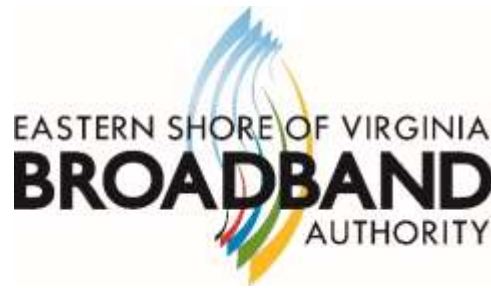
Eastern Shore of Virginia Broadband Authority
Board Balance Sheet
End of Jun 2022

Financial Row	Amount
ASSETS	
Current Assets	
Bank	
10010 - General Operating Account - BB&T (0720)	\$2,529,880.27
10020 - Capital Expansion Account - BB&T (0747)	\$630,106.53
10030 - Equipment Accrual - BB&T (0739)	\$715,548.17
10160 - Annual Accrual - BB&T (7622) Savings Acct	\$1,234,524.99
10165 - Expansion Proceeds BB&T Savings Acct (0070)	\$15,788.22
10180 - Merchant Services - BB&T (8016)	\$123,150.53
10990 - Petty Cash	\$150.00
Total Bank	\$5,249,148.71
Accounts Receivable	
11000 - Accounts Receivable	\$139,926.51
11010 - Reserve for Bad Debt	(\$81,035.34)
Total Accounts Receivable	\$58,891.17
Other Current Asset	
11900 - Undeposited Funds	\$12,096.07
13100 - Inventory Asset	\$1,591,214.38
15000 - Plant in Service	\$20,592.56
Total Other Current Asset	\$1,623,903.01
Total Current Assets	\$6,931,942.89
Fixed Assets	
14100 - General Furniture Fixtures	\$42,727.66
14199 - Accumulated Depreciation - Furniture	(\$22,898.65)
14200 - Equipment:Computers, Printers, Equip, Software	\$96,124.05
14299 - Accumulated Depreciation - Equipment	(\$109,458.40)
15010 - Physical Plant Structure	\$21,969,721.01
15020 - Physical Plant Electronics	\$4,411,911.62
15040 - Physical Plant Towers	\$178,656.12
15050 - Physical Plant Mobile - (Mobile Carriers & Generators)	\$100,546.32
15060 - Physical Plant Huts	\$187,497.91
15070 - Physical Plant Tools & Equipment	\$31,008.62
15098 - Accumulated Depreciation - Plant In Service	(\$7,938,015.15)
15100 - Physical Plant Network & Software	\$22,281.96
15199 - Accumulated Depreciation - Software	(\$64,303.09)
15200 - Vehicles & Equipment	\$798,490.67
15299 - Accumulated Depreciation - Vehicles	(\$358,428.36)
16000 - Railway Easement	\$250,000.00
17000 - Land	\$10,000.00
Total Fixed Assets	\$19,605,862.29
Total ASSETS	\$26,537,805.18
Liabilities & Equity	
Current Liabilities	
Accounts Payable	
20000 - Accounts Payable	\$38,870.72
20050 - Accrued Interest Payable	\$270.00
Total Accounts Payable	\$39,140.72
Credit Card	
21010 - BB&T Visa 5701 LH	\$1,289.49
21030 - BB&T Visa 5340 RB	\$5,501.23
21040 - BB&T Visa 7215 TE	\$1,701.63
21060 - BB&T Visa 5625 KB	\$1,529.56
Total Credit Card	\$10,021.91
Other Current Liability	

20010 - Accrued Purchases	(\$24,466.64)
24010 - Direct Deposit Liabilities:USAC Reimbursements Deposits	\$20,970.47
24050 - USAC Prepaid	(\$39,072.30)
25000 - ESVBA Installation Assistance Program	(\$14,890.00)
26100 - USAC Tax Payable	\$52,001.41
26200 - Va Communications Tax	\$666.98
Total Other Current Liability	(\$4,790.08)
Total Current Liabilities	\$44,372.55
Long Term Liabilities	
27500 - BB&T Loan for Expansion	\$3,725,000.00
27600 - Grant Match Funds	\$2,227,760.00
28000 - Deferred Income	\$180,730.72
Total Long Term Liabilities	\$6,133,490.72
Equity	
Retained Earnings	\$16,446,143.19
Net Income	\$3,913,798.72
Total Equity	\$20,359,941.91
Total Liabilities & Equity	\$26,537,805.18

Eastern Shore of Virginia Broadband Authority
Board Cash Flow Statement
May 2022, Jun 2022

Financial Row	May 2022 Amount	Jun 2022 Amount
Operating Activities		
Net Income	\$163,813.81	\$366,333.09
Adjustments to Net Income		
Accounts Receivable	(\$86,566.96)	\$50,384.90
Inventory Asset	\$71,821.43	(\$25,192.03)
Other Current Asset	\$0.00	(\$816.00)
Accounts Payable	\$607,313.74	(\$894,738.06)
Sales Tax Payable	\$2,021.22	\$2,535.59
Other Current Liabilities	(\$112,744.30)	\$142,129.46
Total Adjustments to Net Income	\$481,845.13	(\$725,696.14)
Total Operating Activities	\$645,658.94	(\$359,363.05)
Investing Activities		
Fixed Asset	(\$403,081.00)	(\$240,434.31)
Total Investing Activities	(\$403,081.00)	(\$240,434.31)
Financing Activities		
Long Term Liabilities	(\$1,050.76)	(\$1,050.76)
Total Financing Activities	(\$1,050.76)	(\$1,050.76)
Net Change in Cash for Period	\$241,527.18	(\$600,848.12)
Cash at Beginning of Period	\$5,620,565.72	\$5,862,092.90
Cash at End of Period	\$5,862,092.90	\$5,261,244.78



VATI FY23

We are still evaluating the segments to apply for in VATI FY23 but are looking at approximately 255miles in Accomack and 61miles in Northampton. This grant will be requesting funding for approximately \$12.2M to complete this build which will leave a match requirement of \$2.44M of matching contributions. We are confirming the segments we are going to apply for are not in conflict with any other provider that is capable of providing 100/20Mbps of coverage.

We have also confirmed with DHCD that we can provide a letter of commitment from a funding agency (such as a bank guarantee of funding) in our initial application to confirm prove our match funds are available excluding any existing match from previous build or external sources.