ROANOKE VALLEY BROADBAND AUTHORITY

P.O. Box 2569, Roanoke, VA 24010
www.highspeedroanoke.net

MEMBERS:
Kevin Boggess, City of Salem
Clay Goodman, Roanoke County
Kathleen Guzi, Botetourt County
Mike McEvoy, Citizen
Chris Morrill, City of Roanoke

DRAFT

MINUTES

A Joint Meeting of the Roanoke Valley Broadband Authority and the Roanoke Valley Broadband Advisory Committee was held on Friday, April 18, 2014 at 8:30 a.m. at the Roanoke Valley-Alleghany Regional Commission Office (Top Floor Conference Room) located at 313 Luck Avenue, SW, Roanoke, VA.

1. **CALL TO ORDER**

   Chairman Boggess called the meeting to order at 8:30 a.m. and welcomed those in attendance.

   Guests in attendance: Jay Brenchick, Botetourt County; Paul Combs, ComCast; Steven Dyer, Dytec; Kristin Rich Heller, Blue Ridge Advisory Services Group; Judd Hofmann, Citizen; Jill Loope, Roanoke County Economic Development Department; Bob Picchi, Blue Ridge Advisory Services Group; and Margaret Hunter Wade, Cox Communications.

   Roanoke Valley-Alleghany Regional Commission Staff Present: Olivia Dooley, Matt Miller, Jackie Pace and Wayne Strickland.

2. **ROLL CALL/DETERMINE IF QUORUM IS PRESENT**

   Wayne Strickland, Secretary to the Authority, called the roll and stated that a quorum was present. Members Present: Kevin Boggess, City of Salem; Mike McEvoy, Citizen; and Chris Morrill, City of Roanoke. Members Absent: Kathleen Guzi, Botetourt County and Clay Goodman, Roanoke County.

3. **INTRODUCTION OF BROADBAND ADVISORY COMMITTEE MEMBERS**

   At the Broadband Authority's first meeting on January 17, 2014, the Board unanimously agreed to establish an advisory committee to assist them with technical issues. Members felt that it would be best to look for interested parties for the advisory committee engaged in broadband to help move the process forward (i.e., business leaders, local government IT staff, Virginia Tech officials, former broadband task force members, school system and public safety officials, etc.).

   Chairman Boggess introduced the members of the Advisory Committee who were present at the Joint Meeting: Wayne Bowers, Roanoke City Economic Development; A. K. Briele, Salem Electric Department; Sam English, Attention Point; Brad Orth, City of Salem Technology Services; Greg Reed, Western Virginia Water Authority; Shivaji Samanta,

Virginia Western Community College – Information & Educational Technologies; and Jeff Terry, Roanoke County School System.

4. <u>APPROVAL OF MINUTES</u>

Chairman Boggess stated that there were two sets of Broadband Authority Minutes requiring approval – the February 21, 2014 Broadband Authority Meeting and the March 5, 2014 Special Called Meeting of the Broadband Authority.

ACTION:
Upon motion by Mr. McEvoy, seconded by Mr. Morrill and carried, the Minutes of the February 21, 2014 meeting of the Roanoke Valley Broadband Authority were approved, as distributed.

Upon motion by Mr. McEvoy, seconded by Mr. Morrill and carried, the Minutes of the March 5, 2014 Special Called Meeting of the Roanoke Valley Broadband Authority were approved, as distributed.

5. <u>TREASURER'S REPORT</u>

The Treasurer's Report, for the period January 20–March 31, 2014, was previously distributed in the agenda mailing. The account balance as of January 20, 2014 was $5,000.00. Two expenditures were noted: $126.72 to the Roanoke Times (for RFP advertisement) and $344.00 to VML Insurance (liability cover policy for Broadband Authority). The balance as of March 31, 2014 was $4,529.28.

ACTION:
Upon motion by Mr. Morrill, seconded by Mr. McEvoy and carried, the Treasurer's Report was accepted, as distributed.

6. <u>UPDATE FROM BLUE RIDGE ADVISORY SERVICES GROUP ON THE BUSINESS/ OPERATIONS PLAN FOR THE BROADBAND AUTHORITY</u>

Bob Picchi and Kristin Rich Heller, consultants with the Blue Ridge Advisory Services Group hired to develop the Business/Operations Plan for the Broadband Authority, addressed the group with a PowerPoint entitled *"Business Plan and Startup Support: Phase I Report".*   A copy of the PowerPoint can be accessed at www.highspeedroanoke.net.

Mr. Picchi stated that developing a Strategy is the key issue in the formation of the Business Plan (feedback, access the market conditions, approach to defining addressable markets, etc.). Mr. Picchi reported that after meeting with local governments/stakeholders, the top three requirements for the broadband initiative voiced across the board were: (1) Economic Development, (2) Sustainability, and (3) Expand Coverage (to rural, unserved regions). Mr. Picchi also stated that the initiative needs to stand on its own and must be self-sufficient; noting that there seems to be enough political support for $4-6 million of investment, but not more than $10 million. Later, he added, investments and infrastructure can be layered on the initial project.

The PowerPoint also highlighted Strengths, Weaknesses, Threats and Opportunities.
Mr. Picchi outlined the Business Strategy that the Broadband Authority should pursue:

- Concentrate in areas of sustainable competitive advantage --
  - Leverage existing assets, and
  - Compete in the low end of the value curve in low-risk ventures that leverage strengths – the infrastructure business.
- Design and build the network to interconnect with other regional initiatives, Central Business Districts, and business parks.
- Build a telecom capability, establish market credibility.
- Look for opportunities to expand and move up the value curve.
- Collaborate/interconnect with other regional initiatives.
- Keep options open for stimulus funding.
- Promote private-sector investment in solving last-mile problems – facilitate last-mile connectivity.

Next Steps ---

- Agree upon Strategy.
- Business Plan --
  - Plan the network build out,
  - Develop Capital Expenditures (CAPEX) budget,
  - Explore models for operation,
  - Identify specific products/services and pricing,
  - Develop a sales forecast and build financials,
  - Define an organizational plan,
  - Identify operational support system requirements, and
  - Agree upon strategy.
- Identify Timeframes for Implementation.
- Identify Performance Plan.

Chairman Boggess asked the representatives present from Comcast and Cox Communications if they saw or heard any "red flags" from the PowerPoint presentation. Both responded no.

ACTION:
There was a consensus among the Broadband members to pursue the Strategy as presented by Mr. Picchi.

5. **OTHER BUSINESS**

Mr. Picchi stated that it would probably take until the end of May to wrap up the Business Plan, identify timeframes for implementation, etc. Chairman Boggess asked if the May meeting date should be changed to accommodate the schedule as proposed by Mr. Picchi. **It was unanimously agreed by the Authority members to change the May meeting date of the Roanoke Valley Broadband Authority to Friday, May 30, 2014 at 8:30 a.m. at the Regional Commission office.** Members of the Broadband Advisory Committee were also asked to attend the meeting on May 30.

The meeting was adjourned at 9:40 a.m.

Wayne Strickland, Secretary to the
  Roanoke Valley Broadband Authority