



c/o P.O. Box 2569, Roanoke, VA 24010
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HIGHSPEEDROANOKE.NET

MEMBERS:
Kevin Boggess, City of Salem
Tom Gates, Roanoke County
Gary Larrowe, Botetourt County
Mike McEvoy, Citizen
Chris Morrill, City of Roanoke

Board Meeting Roanoke Valley Broadband Authority

Friday, April 15, 2016 at 8:00 a.m.*

Roanoke Valley-Alleghany Regional Commission, 313 Luck Ave, SW, Roanoke, VA 24016

***NOTE TIME CHANGE**

AGENDA

1. **Call to Order, Roll Call & Introductions** *Vice Chairman McEvoy*
 2. **Approval of the March 18, 2015 Minutes, pp. 2-5** *Vice Chairman McEvoy*
 3. **Treasurer's Report** *Olivia Dooley, Treasurer*
 - Financial Report Ending March 31, 2016, pp. 6-7
 4. **Project Update** *Frank Smith, President & CEO*
 5. **Revision to the FY'15-16 Amended Budget** *Frank Smith, President & CEO*
 6. **Other Business** *Vice Chairman McEvoy*
 - Ribbon Cutting/Launch of Network on April 26, 2016 at Blue Ridge PBS, 12-2 p.m.
 - Next Meeting Date Friday, May 20, 2016
 7. **Adjournment**
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MINUTES

The March meeting of the Roanoke Valley Broadband Authority was held on Friday, March 18, 2016 at 8:30 a.m. at the Roanoke Valley-Alleghany Regional Commission office, 313 Luck Avenue, SW, Roanoke, VA.

A public hearing was also held during the meeting to receive comment on the Broadband Authority's Service Offering Rate Structure.

1. CALL TO ORDER, WELCOME AND ROLL CALL

Chairman Boggess called the meeting to order at 8:35 a.m. and welcomed those in attendance.

Wayne Strickland, Secretary to the Broadband Authority, called the roll and reported that a quorum was present.

Roanoke Valley Broadband Authority Board Members: *Present:* Kevin Boggess, City of Salem; Tom Gates, Roanoke County; Mike McEvoy, Citizen; and Chris Morrill, City of Roanoke. *Absent:* Gary Larrowe, Botetourt County.

OTHERS IN ATTENDANCE

Broadband Authority Staff: Frank Smith, President & CEO.

Regional Commission Staff: Olivia Dooley, Treasurer; Matt Miller, Assistant Secretary; Jackie Pace; and Wayne Strickland, Secretary.

Guests: Wayne Bowers, City of Roanoke and Broadband Advisory Committee member; Laura Carini, City of Roanoke; Sam Darby, Glenn Feldmann Darby & Goodlatte; Jennifer Eddy, Eddy Communications; Sam English, Roanoke Blacksburg Technology Council and Broadband Advisory Committee member; Meredith Hundley, Virginia Tech; Bill Hunter, Roanoke County; Jill Loope, Roanoke County; Granger Macfarlane, Citizen; Brian McConnell, Citizen; Jeff Merritt, Cox Communications; Brian Montgomery, ComCast; and Richard Weeks, Citizens Telephone.

2. **PUBLIC HEARING ON THE PRELIMINARY PROPOSED RATE SCHEDULE FOR RATES, FEES AND CHARGES FOR THE ROANOKE VALLEY BROADBAND AUTHORITY**

Chairman Boggess reported that a scheduled public hearing was being held to give citizens and interested entities the opportunity to comment on the Broadband Authority's proposed Service Offering Rate Structure (preliminary rates, fees and charges), published in the January 8 & 15, 2016 editions of The Roanoke Times. (Notice Attached)

Open Public Hearing

Chairman Boggess opened the public hearing and if anyone had signed up to speak or if there were comments from the floor. No oral comments were received at the public hearing. It was also noted that no written comments have been received on the matter.

Close Public Hearing

Vice Chairman McEvoy moved to close the public hearing. The motion was seconded by Mr. Morrill and carried.

ROANOKE VALLEY BROADBAND AUTHORITY ACTION:

Mr. Morrill moved to adopt the proposed Service Offering Rate Structure for rates, fees and charges, as presented, for the Roanoke Valley Broadband Authority, effective March 18, 2016. The motion was seconded by Vice Chairman McEvoy and carried.

3. **APPROVAL OF MINUTES**

The Minutes of the February 20, 2016 meeting of the Roanoke Valley Broadband Authority were distributed earlier.

ROANOKE VALLEY BROADBAND AUTHORITY ACTION:

Upon motion by Mr. Morrill, seconded by Vice Chairman McEvoy and carried, the Minutes of the February 20, 2016 meeting of the Roanoke Valley Broadband Authority were approved, as distributed.

4. **TREASURER'S REPORT**

The Financial Report, ending February 29, 2016, was provided earlier in the agenda mailing. Chairman Boggess reported that the Financial Report, ending February 29, 2016, would be filed, as presented.

5. **PROJECT UPDATES**

Frank Smith reported on the following project updates:

- Outside plant will be finished by March 25, 2016.
- Testing on fiber began on March 16, 2016. The goal is have the network core up and running for customers by May 1, 2016.

- Jennifer Eddy, Eddy Communications, commented on the Authority's branding, messaging and sales strategy. Also, a launch of the network is planned for April 26, 2016 at the Blue Ridge PBS station on McNeil Drive in Roanoke, VA. Blue Ridge Public TV asked, as part of their partnering relationship, to hold the ribbon cutting ceremony at their site (details on the exact time, speakers and events/tours will be forthcoming).

6. ADOPTION OF THE REVISED FY'15-16 BUDGET

Chairman Boggess reminded members that the proposed revisions to the FY'15-16 Budget were reviewed at the February meeting and it was moved that action on the matter would be taken at the March meeting.

Mr. Smith stated that the adjustments in the budget relate to reduced legal needs, lighting and activating service on the network, and having insurance coverage to protect physical network assets.

ROANOKE VALLEY BROADBAND AUTHORITY ACTION:

Vice Chairman McEvoy moved for adoption of the revisions to the Broadband Authority's FY'15-16 Budget, as presented. The motion was seconded by Mr. Morrill and carried.

7. ADOPTION OF THE PROPOSED FY'16-17 BUDGET

Chairman Boggess reminded members that the proposed FY'16-17 Budget was reviewed at the February meeting and it was moved that action on the matter would be taken at the March meeting (FY'16-17 Budget totals \$1,467,536.00). Mr. Smith reported that the FY'16-17 Budget reflects a fully operational network.

ROANOKE VALLEY BROADBAND AUTHORITY ACTION:

Vice Chairman McEvoy moved for adoption of the Broadband Authority's proposed FY'16-17 Budget, as presented. The motion was seconded by Mr. Morrill and carried.

8. OTHER BUSINESS

- Chairman Boggess reported that the date of the next regularly-scheduled Broadband Authority meeting is Friday, April 15, 2016 at 8:30 a.m. at the Regional Commission office. Chairman Boggess stated that he would be out of town on that date and that Vice Chairman McEvoy would chair the April 15 meeting.

The meeting was adjourned at 8:45 a.m.

Submitted by:

Wayne Strickland, Secretary
Roanoke Valley Broadband Authority

Rate Structure as Adopted-March 18, 2016



Service Offering Rate Structure

Preconstruction Pricing

Dark Fiber for Commercial Carrier	Rate Range per Strand Mile per Month	Transport Service Monthly Recurring Charge for a 2 Year Term			Transport Service with Internet Monthly Recurring Charge for a 2 Year Term	Dedicated Internet Services (Transport & IP)
		10Mbps	Unprotected	Protected		
Full Ring, 10 year and longer term (IRU)	\$40	10Mbps	\$350	\$385	10Mbps	\$550
Full Ring Lease (less than 10 years)	\$50 to \$70	20Mbps	\$450	\$495	20Mbps	\$672
Partial Ring, 10 year and longer term (IRU)	\$60	50Mbps	\$600	\$660	50Mbps	\$837
Partial Ring Lease (less than 10 years)	\$70 to \$100	100Mbps	\$900	\$990	100Mbps	\$1367
		200Mbps	\$1100	\$1210	200Mbps	\$1787
		300Mbps	\$1500	\$1650	300Mbps	\$2427
Dark Fiber for Non-profit		400Mbps	\$1800	\$1980	400Mbps	\$2557
Full Ring, 10 year and longer term (IRU)	\$21	500Mbps	\$2200	\$2420	500Mbps	\$3097
Full Ring lease (less than 10 years)	\$25 to \$35	1GigE	\$4100	\$4510	1GigE	\$5687
Partial Ring, 10 year and longer term (IRU)	\$28	10 Gbps to	ICB	ICB		
Partial Ring lease (less than 10 years)	\$35 to \$50	200 Gbps				

Notes:

- 1) A five dollar maintenance fee per dark fiber strand mile per month will be charged
- 2) Non-profit is defined as localities, political subdivisions, school divisions, and state educational institutions
- 3) Non recurring charge is a minimum of \$500 for all transport and IP service offerings
- 4) Service lateral and drop pricing will be determined on an individual case basis
- 5) Some pricing of dark fiber leases and irrevocable rights of use (IRU) will be negotiated with the authority receiving in-kind services such as location of its facilities on lessee's premises
- 6) ICB's are services that will be designed, engineered, and priced on an individual case basis (ICB) with a customer

Roanoke Valley Broadband Authority
 Period 03/01/16 to 03/31/16

OPERATING BUDGET

Revenues	Budget	Prior Years	Current Month	YTD	Project to Date	YTD Under/Over
Cities of Roanoke/Salem	135,512.14	340,837.00	0.00	135,512.14	476,349.14	0.00
Counties of Bot/Roanoke	0.00	0.00	0.00	0.00	0.00	0.00
P/Y Carryover	307,717.00	18,280.04	0.00	0.00	18,280.04	307,717.00
Total Revenue	443,229.14	359,117.04	0.00	135,512.14	494,629.18	307,717.00
Expenses						
Accounting Package	400.00	224.95	0.00	299.95	524.90	100.05
Advertising	3,500.00	399.24	0.00	2,993.96	3,393.20	506.04
Audit	5,000.00	0.00	0.00	5,000.00	5,000.00	0.00
Bank Fees	200.00	0.00	4.00	66.00	66.00	134.00
Carrier Services	12,000.00	0.00	0.00	0.00	0.00	12,000.00
Computer Fees	300.00	83.88	90.87	367.82	451.70	-67.82
Contract (BRASG)	10,200.00	37,502.42	0.00	10,121.51	47,623.93	78.49
Contract (RVARC)	30,000.00	0.00	0.00	12,450.00	12,450.00	17,550.00
Contract (WVWA)	152,000.00	0.00	12,295.64	83,985.69	83,985.69	68,014.31
Debt Service Payments	135,512.14	0.00	73,249.80	135,512.14	135,512.14	0.00
Insurance	7,933.00	1,052.00	0.00	1,052.00	2,104.00	6,881.00
Legal Fees	20,000.00	11,532.39	1,326.10	13,171.45	24,703.84	6,828.55
Maintenance	6,000.00	0.00	0.00	0.00	0.00	6,000.00
Marketing	25,000.00	0.00	0.00	12,500.00	12,500.00	12,500.00
NOC Services	0.00	0.00	0.00	0.00	0.00	0.00
Postage	500.00	0.00	31.17	97.61	97.61	402.39
Rents	8,700.00	0.00	2,954.53	4,854.53	4,854.53	3,845.47
Supplies	3,500.00	373.77	884.00	3,717.39	4,091.16	-217.39
Telephone	2,000.00	0.00	232.95	1,378.17	1,378.17	621.83
Travel	3,000.00	0.00	27.17	330.57	330.57	2,669.43
Training	500.00	400.00	0.00	0.00	400.00	500.00
Va 811 Locates	10,000.00	0.00	0.00	0.00	0.00	10,000.00
Operating Expenses for Future	6,984.00	0.00	0.00	0.00	0.00	6,984.00
Total Expenses	443,229.14	51,568.65	91,096.23	287,898.79	339,467.44	155,330.35
Total	0.00	307,548.39	-91,096.23	-152,386.65	155,161.74	152,386.65

CONSTRUCTION BUDGET

Revenues	Budget	Prior Years	Current Month	YTD	Project to Date	Project to Date Under/Over
Va Resource Authority	5,689,961.35	233,047.27	498,922.86	3,203,892.09	3,436,939.36	2,486,069.26
Interest income	0.00	0.00	0.00	0.00	0.00	0.00
Estimated Earnings	3,726.41	0.00	0.00	0.00	0.00	3,726.41
Total Revenue	5,693,687.76	233,047.27	498,922.86	3,203,892.09	3,436,939.36	2,489,795.67
Expenses						
Construction	3,811,414.09	666.07	458,534.91	3,086,028.68	3,086,694.75	724,719.34
Engineering/Const Admin	264,451.08	238,232.23	0.00	65,050.00	303,282.23	-38,831.15
Permitting/Easement Acquisitio	151,216.30	37,449.94	1,500.00	15,593.08	53,043.02	98,173.28
Electronics (System llighting & Data Stor	715,534.56	0.00	37,867.15	399,781.84	399,781.84	315,752.72
Local Debt Service Res Fund	670,039.01	670,039.01	0.00	0.00	670,039.01	670,039.01
Local Cost of Issuance	20,000.00	19,603.86	1,020.80	8,255.80	27,859.66	-7,859.66
Additional Proceeds/Contingenc	61,032.72	0.00	0.00	0.00	0.00	61,032.72
Total Expenses	5,693,687.76	965,991.11	498,922.86	3,574,709.40	4,540,700.51	2,118,978.36
Total	0.00	-732,943.84	0.00	-370,817.31	-1,103,761.15	1,103,761.15

ROANOKE VALLEY BROADBAND AUTHORITY
Financial Report
July 1 - March 31, 2016

DATE		FOR		BALANCE
02/01/2016		Beginning Balance		182,576.14
02/03/2016	Check 211	Verizon	84.44	182,491.70
02/03/2016	Check 212	BB&T	297.87	182,193.83
02/03/2016	Check 213	Roanoke Higher Ed Center	1,000.00	181,193.83
02/04/2016	Check 214	EDDY Communications	12,500.00	168,693.83
02/05/2016	Check 215	Blue Ridge PBS	450.00	168,243.83
02/08/2016	Check 216	Thompson & Litton #77880	4,600.00	163,643.83
02/09/2014	Check 206	VOID Bowman-Griffin Contractors		19,557.00
02/09/2016	Check 217	Bowman-Griffin Contractors	17,556.00	165,644.83
02/10/2016	Check 218	Roanoke Times	2,496.96	163,147.87
02/19/2016	Check 219	Thompson & Litton #78229	17,272.00	145,875.87
02/19/2016	Check 220	Walker & Assoc Inc	298,759.70	-152,883.83
02/23/2016	Check 221	Walker & Assoc Inc	6,288.20	-159,172.03
02/23/2016	Check 222	WVWA	16,193.24	-175,365.27
02/25/2016	Check 223	Utility Service Contractors #6	350,155.67	-525,520.94
02/26/2016	Deposit	City of Salem		36,624.90
02/29/2016	Transfer	Va Resource Authority		698,529.17
				209,633.13
03/01/2016		Beginning Balance		209,633.13
03/01/2016	Check 224	AECOM	1,500.00	208,133.13
03/02/2016	Check 225	Verizon	84.44	208,048.69
03/02/2016	Check 226	Roanoke Higher Ed Center	500.00	207,548.69
03/02/2016	Check 227	Va Resource Authority	73,249.80	134,298.89
03/02/2016		Bank Fee	4.00	134,294.89
03/07/2016		Transfer for escrow requirement	10,000.00	124,294.89
03/08/2016	Check 228	BB&T	317.09	123,977.80
03/08/2016	Check 229	MBC	2,000.00	121,977.80
03/08/2016	Check 230	Blue Ridge PBS	450.00	121,527.80
03/08/2016	Check 231	Glenn Feldman Darby & Goodlatte	2,321.90	119,205.90
03/08/2016	Check 232	Walker & Assoc Inc	37,378.75	81,827.15
03/08/2016	Check 233	Thompson & Litton	33,559.80	48,267.35
03/08/2016	Check 234	Verizon Va LLC	4.53	48,262.82
03/14/2016	Check 235	PC Land	778.00	47,484.82
03/14/2016	Check 236	Appalachian Power	329.91	47,154.91
03/17/2016	Check 237	SEC	25.00	47,129.91
03/28/2016	Check 238	Walker & Assoc Inc	488.40	46,641.51
03/28/2016	Check 239	Western Va Water Authority	18,835.69	27,805.82
03/28/2016	Check 240	Verizon	86.63	27,719.19
03/28/2016	Check 241	VOID	0.00	27,719.19
03/31/2016	Check 242	Utility Service Contractors #7	418,105.15	-390,385.96
03/31/2016	Transfer	Va Resource Authority		498,922.86
				108,536.90