



601 S. Jefferson Street, SW, Suite 110, Roanoke, VA 24011
Frank M. Smith, II, President & CEO
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BOARD MEMBERS:
Kevin Boggess, City of Salem
Bob Cowell, City of Roanoke
Tom Gates, Roanoke County
Gary Larrowe, Botetourt County
Mike McEvoy, Citizen

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Roanoke Valley Broadband Authority Meeting
Friday, January 19, 2018 at 8:30 a.m.
Roanoke Valley Broadband Authority office, Suite 110 (Coulter Building)
601 S. Jefferson Street, SW, Roanoke, VA 24011

AGENDA

1. **Call to Order, Roll Call, Introductions** *Chairman Boggess*
2. **Approval of November 17, 2017 Minutes, pp. 2-6** *Chairman Boggess*
3. **Treasurer's Report** *Olivia Dooley, Treasurer & CFO*
 - Acceptance of Financial Reports Ending 11/30/2017 and 12/31/2017, pp. 7-8
4. **Acceptance of RVBA Audit Report Ending 6/30/2017** *Corbin Stone*
Robinson, Farmer, Cox Associates
5. **Approval of RVBA Employee Handbook** *Frank Smith, President & CEO*
6. **Project Update** *Frank Smith, President & CEO*
7. **Other Business**
 - Cancellation of February 16, 2018 RVBA Board Meeting *Chairman Boggess*
 - Next RVBA Board Meeting Date - March 16, 2018 *Chairman Boggess*
8. **Adjournment**



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MINUTES

The November Board Meeting of the Roanoke Valley Broadband Authority was held on Friday, November 17, 2017 at 8:30 a.m. at 601 S. Jefferson Street, 2nd Floor Conference Room, Roanoke, VA.

1. CALL TO ORDER, WELCOME AND ROLL CALL

Chairman Boggess called the meeting to order at 8:30 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; Bob Cowell, City of Roanoke; Tom Gates, Roanoke County; and Mike McEvoy, Citizen. *Absent:* Gary Larrowe, Botetourt County.

OTHERS/GUESTS IN ATTENDANCE

Broadband Authority Staff: Jim Bandy, Director of Solutions Engineering; Olivia Dooley, Treasurer and CFO; and Frank Smith, President and CEO.

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

Guests: Sam Darby, Glenn Feldmann Darby & Goodlatte; Jennifer Eddy, Eddy Communications; Sam English, Roanoke Blacksburg Technology Council; Jill Loope, Roanoke County; Brian McConnell, Roanoke Community EcoSystems and Citizen; Bob Picchi, Blue Ridge Advisory Services Group; Beth Sherman, Cox Business; Sherman Stovall, City of Roanoke; and Margaret-Hunter Wade, Cox Communications.

2. APPROVAL OF THE SEPTEMBER 15, 2017 MINUTES

The September 15, 2017 Minutes of the Roanoke Valley Broadband Authority Board Meeting were distributed earlier.

ROANOKE VALLEY BROADBAND AUTHORITY ACTION:

Vice Chairman McEvoy moved that the Minutes of the September 15, 2017 meeting of the Roanoke Valley Broadband Authority be approved, as presented. The motion was seconded by Mr. Cowell and carried.

3. TREASURER'S REPORT

A. Acceptance of the Financial Reports

The Financial Reports, ending September 30, 2017 and October 31, 2017, were distributed earlier in the agenda packet.

Frank Smith reported on the "Installations" line item (page 5 in agenda), noting that the amount budgeted, and the amount spent year-to-date, were basically contributions from part of the construction from Phase II.

ROANOKE VALLEY BROADBAND AUTHORITY ACTION:

Vice Chairman McEvoy moved acceptance of the Financial Reports, ending September 30, 2017 and October 31, 2017, as presented. The motion was seconded by Mr. Cowell and carried.

4. AWARD OF AUDIT CONTRACT

Chairman Boggess stated that an RFP was prepared to solicit bids from accounting firms to perform auditing services for the Broadband Authority, for the period July 2017 through June 2020. One proposal was received from the accounting firm of Robinson, Farmer, Cox Associates, for the amount of \$7,850, to perform auditing services for the Roanoke Valley Broadband Authority

ROANOKE VALLEY BROADBAND AUTHORITY ACTION:

Mr. Gates moved that the audit contract for the Roanoke Valley Broadband Authority, for the period July 2017 through June 2020, be awarded to Robinson, Farmer, Cox Associates. The motion was seconded by Vice Chairman McEvoy and carried.

5. RECOMMENDATION TO PARTICIPATING LOCALITIES TO RATIFY THE REAPPOINTMENT OF MIKE MCEVOY AS THE FIFTH (CITIZEN-AT-LARGE) MEMBER ON THE BROADBAND AUTHORITY BOARD

Chairman Boggess reported that Mike McEvoy's term as the citizen-at-large representative on the Board of the Broadband Authority expires December 13, 2017. Article II of the Broadband Authority's Articles of Incorporation states... *"The 4-members of the Board of the Authority shall recommend to the participating jurisdictions the appointment of the fifth member who shall be a citizen and resident of one of the participating political jurisdictions. The governing bodies of each participating political subdivision shall ratify and confirm the appointment of the fifth member."*

ROANOKE VALLEY BROADBAND AUTHORITY ACTION:

Mr. Gates moved that the Board recommend the reappointment of Mike McEvoy to serve as the fifth (citizen-at-large) member of the Broadband Authority Board, and that the governing bodies of each participating jurisdiction be notified to ratify and confirm the reappointment of Mr. McEvoy as the fifth member. The motion was seconded by Mr. Cowell and carried. Mr. McEvoy abstained from the vote.

6. PROJECT UPDATES

- A draft Roanoke Valley Broadband Authority Employee Handbook was distributed to board members. Mr. Smith asked members to review the handbook and stated that action on the handbook would take place at a future meeting (possibly the January 19, 2018 meeting). Mr. Smith thanked Ms. Dooley for her work on the draft handbook.
- Mr. Smith presented graphic slides on how the Authority is performing in terms of its 5-Year Plan to 2022 (ahead of plan, tracking started last year and outperformed where plan should be, etc.). The Plan's goal is to have the Authority revenue positive. Regular updates will be provided at future meetings.
- Business objectives since July 2017 have been met.
- Signed first WISP (Wireless Internet Service Provider) teaming agreement. In the process of working on a roll-out plan.
- In August 2017 had the first residential last mile provider ABS Technology; examining and reviewing other potential last mile providers to deliver services in the Roanoke Valley.
- In October 2017 held the ribbon cutting for the completion of Phase 2 (Roanoke County).
- Currently working with a major private sector group to look at service. Hope to have an announcement soon.
- With the completion of Phase 2 in October, now up to 80 miles of fiber (includes laterals and drops).
- Three additional switching centers, now up to 8 locations.
- 24/7 monitoring services expanded to provide additional customer service coverage.

7. REQUEST FOR A CLOSED MEETING PURSUANT TO VA. CODE 2.2-3711.33

Motion was made by Vice Chairman McEvoy and seconded by Mr. Gates to convene a closed meeting for the purpose of receiving a Business Plan Update by Bob Picchi, of Blue Ridge Advisory Services Group, as permitted by Virginia Code Section 2.2-3711.33. for discussion or consideration by a local authority created in accordance with the Virginia Wireless Services Authorities Act (Subsection 15.2-5431.1 et seq.) of confidential proprietary information and trade secrets subject to the exclusion in subdivision 19 of Subsection 2.2-3705.6. The motion was adopted and carried by a vote of 4 to 0. The Roanoke Valley Broadband Authority went into a closed meeting at 8:45 a.m.

8. END CLOSED MEETING AND RECONVENE REGULAR MEETING

Motion was made by Vice Chairman McEvoy and seconded by Mr. Gates that the Broadband Authority end the closed meeting and return to its regular meeting. The motion was adopted and carried by a vote of 4 to 0. The Roanoke Valley Broadband Authority ended the closed meeting and returned to its regular meeting at 9:50 a.m.

9. **RESOLUTION OF CERTIFICATION OF CLOSED MEETING**

Motion was made by Mr. Cowell, seconded by Mr. Gates and carried, to adopt the following certification resolution:

CERTIFICATION OF CLOSED MEETING

WHEREAS, the Roanoke Valley Broadband Authority has convened a closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of the Virginia Freedom of Information Act; and

WHEREAS, Section 2.2-3712 of the Code of Virginia requires a certification by the Roanoke Valley Broadband Authority that such closed meeting was conducted in conformity with Virginia law.

NOW, THEREFORE, BE IT RESOLVED, that the Roanoke Valley Broadband Authority hereby certifies that, to the best of each member's knowledge: (1) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting which this certification resolution applies; and (2) only such public business matters as were identified in the motion convening the closed meeting were heard, discussed or considered by the Roanoke Valley Broadband Authority.

The motion was adopted by a Roll Call vote of 4 to 0 as follows:

Member & Vote

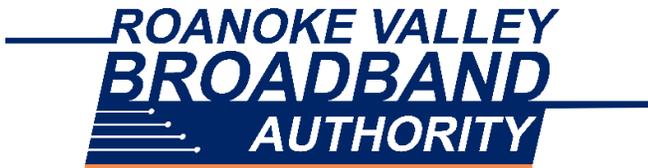
- Mr. Boggess – Yes
- Mr. Cowell – Yes
- Mr. Gates – Yes
- Mr. Larrowe – Absent
- Mr. McEvoy – Yes

10. **OTHER BUSINESS**

- Board members unanimously agreed to cancel the December 15, 2017 Broadband Authority board meeting, and stated that Friday, January 19, 2018 at 8:30 a.m. would be the next scheduled board meeting date/time.
- During this year's General Assembly, RVBA will need to monitor legislation that could be introduced to limit municipal broadband efforts in the Commonwealth of Virginia.

Submitted by:

Wayne Strickland, Secretary,
Roanoke Valley Broadband Authority



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CERTIFICATION RESOLUTION

RESOLUTION CERTIFYING CLOSED MEETING WAS HELD IN CONFORMITY WITH THE CODE OF VIRGINIA

WHEREAS, the Roanoke Valley Broadband Authority has convened a closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of The Virginia Freedom of Information Act; and

WHEREAS, Section 2.2-3712 of the Code of Virginia requires a certification by the Roanoke Valley Broadband Authority that such closed meeting was conducted in conformity with Virginia law.

NOW, THEREFORE, BE IT RESOLVED, that the Roanoke Valley Broadband Authority hereby certifies that, to the best of each member's knowledge:

1. Only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting which this certification resolution applies; and
2. Only such public business matters as were identified in the motion convening the closed meeting were heard, discussed or considered by the Roanoke Valley Broadband Authority.

The 17th day of November 2017

Roanoke Valley Broadband Authority
FY 2018 Operations Statement
For the Month Ended November 30, 2017

	<u>FY 2018 Budget</u>	<u>November 2017</u>	<u>FY 17/18 Year to Date</u>	<u>Percent Budget</u>
Broadband Revenues				
Contributed Capital	\$986,594	\$82,216	\$411,081	42%
Other Revenue	40,000	0	40,000	0%
Service Revenue	<u>310,000</u>	<u>17,770</u>	<u>83,578</u>	<u>27%</u>
Total Broadband Operating Revenues	\$1,336,594	\$99,986	\$534,659	40%
Broadband Operation & Maintenance Expenses				
Personnel Costs	\$503,785	\$34,102	\$159,264	32%
Network Operations	336,100	22,937	96,417	29%
Brand Management	60,000	10,000	25,708	43%
Legal Fees	30,000	92	3,816	13%
Marketing Survey	45,000	0	45,000	100%
Office Expenses	85,696	7,118	49,698	58%
Richmond Message Management	30,000	3,000	10,000	33%
Travel	<u>16,000</u>	<u>1,036</u>	<u>3,156</u>	<u>20%</u>
Total BB Operation & Maintenance Expenses	\$1,106,581	\$78,285	\$393,059	
Income from Operations	\$230,013	\$21,701	\$141,600	
Non-Operating Revenues				
Interest Income	200	2,118	2,205	1103%
Installations	9,500	163	90,921	957%
Other Non-Operating Revenue	0	1,020	1,196	0%
Subtotal Non-Operating Revenues	<u>\$9,700</u>	<u>\$3,301</u>	<u>\$94,322</u>	<u>972%</u>
Total Non-Operating Revenues	9,700	3,301	94,322	972%
Net Income (Loss) from Operations	\$239,713	\$25,002	\$235,922	98%
Capital Projects	189,713	12,599	117,030	
Reserves	<u>50,000</u>	<u>-</u>	<u>-</u>	
Net Income (Loss)	<u>\$0</u>	<u>\$12,403</u>	<u>\$118,892</u>	

Roanoke Valley Broadband Authority
FY 2018 Operations Statement
For the Month Ended December 31, 2017

	<u>FY 2018 Budget</u>	<u>December 31 2017</u>	<u>FY 17/18 Year to Date</u>	<u>Percent Budget</u>
Broadband Revenues				
Contributed Capital	\$986,594	\$82,216	\$493,297	50%
Other Revenue	40,000	0	40,000	0%
Service Revenue	310,000	17,770	101,348	33%
Total Broadband Operating Revenues	\$1,336,594	\$99,986	\$634,645	47%
Broadband Operation & Maintenance Expenses				
Personnel Costs	\$458,500	\$31,944	\$191,209	42%
Network Operations	302,250	36,868	126,720	42%
Brand Management	60,000	0	25,708	43%
Legal Fees	20,000	1,300	5,116	26%
Marketing Survey	45,000	0	45,000	100%
Office Expenses	101,446	6,913	54,879	54%
Richmond Message Management	30,000	3,000	13,000	43%
Travel	18,000	1,727	4,882	27%
Total BB Operation & Maintenance Expenses	\$1,035,196	\$81,752	\$466,514	
Income from Operations	\$301,398	\$18,234	\$168,131	
Non-Operating Revenues				
Interest Income	2,350	12	2,217	94%
Installations	92,225	163	91,084	99%
Other Non-Operating Revenue	1,200	0	1,196	100%
Subtotal Non-Operating Revenues	\$95,775	\$175	\$94,497	99%
Total Non-Operating Revenues	95,775	175	94,497	99%
Net Income (Loss) from Operations	\$397,173	\$18,409	\$262,628	66%
Capital Projects Reserves	347,173	5,636	122,667	
Reserves	50,000	-	-	
Net Income (Loss)	\$0	\$12,773	\$139,961	