



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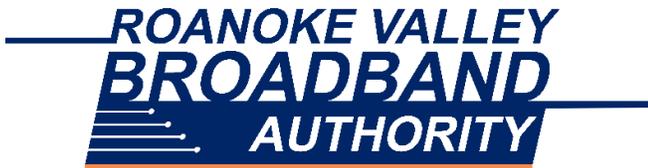
**BOARD MEMBERS:**  
Kevin Boggess, City of Salem  
Bob Cowell, City of Roanoke  
Tom Gates, Roanoke County  
Gary Larrowe, Botetourt County  
Mike McEvoy, Citizen

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**Roanoke Valley Broadband Authority Meeting**  
Friday, August 17, 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 the June 15, 2018 Minutes, pp. 2-5** ..... *Chairman Boggess*
3. **Treasurer’s Report, pp. 6-7** ..... *Olivia Dooley, Treasurer*
  - Financial Reports for June and July 2018
4. **Project Update** ..... *Frank Smith, President & CEO*
5. **Request for Closed Meeting (2 Items)** ..... *Chairman Boggess*
  - A) Pursuant to **§2.2-3711 A.33.** of the Code of Virginia, 1950, as amended (The “Code”), providing that closed meetings are permitted for 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 information and trade secrets subject to the exclusion in subdivision 19 of § 2.2-3705, where disclosure of such information would be harmful to the competitive position of the authority.
  - B) Pursuant to **§2.2-3711 A.1.** of the Code of Virginia, 1950, as amended (The “Code”), to discuss personnel matters.
6. **End Closed Meeting and Reconvene Regular Meeting** ..... *Chairman Boggess*
7. **Adoption of Certification Resolution of Closed Meeting, p. 8** ..... *Chairman Boggess*
8. **Action(s) by the Authority as a Result of the Closed Meeting**
9. **Other Business**
  - Cancellation of the September 21<sup>st</sup> Board Meeting. The Next Scheduled Board Meeting Date is Friday, October 19, 2018 ..... *Chairman Boggess*
10. **Adjournment**



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*Mike McEvoy, Citizen-at-Large*

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## MINUTES

The June Board Meeting of the Roanoke Valley Broadband Authority was held on Friday, June 15, 2018 at 8:30 a.m. at the Broadband office located at 601 S. Jefferson Street, Suite 110, 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; Gary Larrowe, Botetourt County; and Mike McEvoy, Citizen.

### OTHERS/GUESTS IN ATTENDANCE

Broadband Authority Staff: Jim Bandy, Director of Solutions Engineering; Olivia Dooley, Finance Director; Jordan Leet, Sales Director; and Frank Smith, President and CEO.

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

Others: Sam Darby, Glenn Feldmann Darby & Goodlatte; Jennifer Eddy, Eddy Alexander; Sam English, Citizen; Jackie Lee, Eddy Alexander; Jill Loope, Roanoke County; and Granger Macfarlane, Citizen.

### 2. APPROVAL OF THE MARCH 16, 2018 MINUTES

The March 16, 2018 Minutes of the Roanoke Valley Broadband Authority Board Meeting were distributed earlier.

### ROANOKE VALLEY BROADBAND AUTHORITY ACTION:

Mr. Gates moved that the Minutes of the March 16, 2018 meeting of the Roanoke Valley Broadband Authority be approved, as presented. The motion was seconded by Vice Chair McEvoy and carried.

**3. TREASURER'S REPORT**

**Acceptance of the Financial Reports**

The Financial Reports, ending March 31, 2018, April 30, 2018 and May 31, 2018, were distributed earlier in the agenda packet.

**ROANOKE VALLEY BROADBAND AUTHORITY ACTION:**

Mr. Larrowe moved acceptance of the Financial Reports, ending March 31, 2018, April 30, 2018 and May 31, 2018, as presented. The motion was seconded by Mr. Gates and carried.

**4. PROJECT UPDATES**

- Frank Smith announced that Jennifer Eddy and her team at Eddy Alexander recently won two national awards from the Public Relations Society of America -- Silver Anvil for Issues Management (first place in the nation) and the Silver Anvil Award for Excellence for Public Affairs (second place in the nation). Eddy stated the awards were to the RVBA and Friends of Municipal Broadband for the 2017 activities in support of promoting municipal broadband.
- Smith showed the latest broadband map, noting that the network is now up to 80 miles.
- RVBA staff continue to: (1) keep financial controls, measurement and accountability on track; (2) focus and make progress on meeting the revenue goal which is to break even and be cash flow positive by July 1, 2022; (3) work on meeting goals to expand service in the area to be able to drive competition and make an impact on market choice and value; and (4) look at ways to serve the "under-served" markets, both economically and geographically, when working with existing providers and to bring in new providers.

**5. ELECTION OF OFFICERS AND APPOINTMENTS**

Article VI, Section 6.2 of the Broadband Authority Bylaws states that officers of the Authority will be elected for two-year terms in even-numbered years by the Board. Chairman Boggess reported that the current officers of the Roanoke Valley Broadband Authority have expressed a willingness to continue serving in their respective offices if the Board so desires. (Current officers: Kevin Boggess, Chair; Mike McEvoy, Vice Chair; Wayne Strickland, Secretary; and Olivia Dooley, Treasurer.)

**ROANOKE VALLEY BROADBAND AUTHORITY ACTION:**

Hearing no objections, Mr. Larrowe moved that the current officers of the Roanoke Valley Broadband Authority be re-elected for a two-year term ending June 30, 2020 --- Kevin Boggess, Chair; Mike McEvoy, Vice Chair; Wayne Strickland, Secretary; and Olivia Dooley, Treasurer, and that Matt Miller be reappointed to serve as the Assistant Secretary to the Broadband Authority (term ending June 30, 2020). The motion was seconded by Mr. Gates and carried.

**6. REQUEST FOR CLOSED MEETING**

Chairman Boggess stated that he would ask for a motion to hold the two closed meeting sessions (as listed on the agenda) together (i.e., proprietary information, then followed by personnel matter). Boggess noted that no action is anticipated on either item, so one resolution certifying them together would be taken at the conclusion of the closed meeting.

Motion was made by Vice Chair McEvoy and seconded by Mr. Gates to convene a combined closed meeting for the purposes of discussing:

(1) business prospects and negotiating strategies in relation to two new initiatives by the Broadband Authority, pursuant to §2.2-3711 A.33. of the Code of Virginia, 1950, as amended, providing that closed meetings are permitted to discuss confidential proprietary information and trade secrets developed by or for a local authority created in accordance with the Virginia Wireless Service Authorities Act to provide qualifying communications services as authorized by Article 5.1 of Chapter 15 of Title 56, where disclosure of such information would be harmful to the competitive position of the authority, as provided in subdivision 19 of §2.2-3705.6 of the Code; and

(2) the annual review and employment contract of the Broadband Authority's President & CEO Frank Smith, pursuant to §2.2-3711 A.1. of the Code of Virginia, 1950, as amended, to discuss personnel matters.

The motion was adopted and carried by a vote of 5 to 0. The Roanoke Valley Broadband Authority entered into a closed meeting at 8:52 a.m.

**7. END CLOSED MEETING AND RECONVENE REGULAR MEETING**

Motion was made by Vice Chair 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 5 to 0. The Roanoke Valley Broadband Authority ended the closed meeting and returned to its regular meeting at 10:05 a.m.

**8. RESOLUTION OF CERTIFICATION OF CLOSED MEETING**

Motion was made by Vice Chair McEvoy, seconded by Mr. Larrowe 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 5 to 0 as follows:

**Member & Vote**

Mr. Boggess – Yes

Mr. Cowell – Yes

Mr. Gates – Yes

Mr. Larrowe – Yes

Mr. McEvoy – Yes

**9. OTHER BUSINESS**

- Board members unanimously agreed to cancel the July 20, 2018 Broadband Authority board meeting, and stated that Friday, August 17, 2018 at 8:30 a.m. would be the next scheduled board meeting date/time.
- Vice Chairman McEvoy noted that Frank Smith would be presenting at the Broadband Advisory Council meeting to be held on June 18<sup>th</sup> at the South Roanoke County Library. The Broadband Advisory Council was created by Governor Northram and is chaired by Delegate Kathy Byron.

Submitted by:

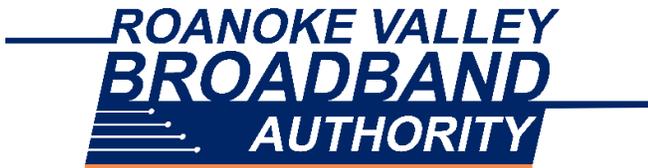
Wayne Strickland, Secretary,  
Roanoke Valley Broadband Authority

**Roanoke Valley Broadband Authority**  
**FY 2018 Operations Statement**  
**For the Month Ended June 30, 2018**

|   | <u>FY 2018<br/>Budget</u> | <u>June<br/>2018</u> | <u>FY 17/18<br/>Year to Date</u> | <u>Percent<br/>Budget</u> |
|---|---------------------------|----------------------|----------------------------------|---------------------------|
| <b>Broadband Revenues</b>                             |                           |                      |                                  |                           |
| Contributed Capital                                   | \$986,594                 | \$82,216             | \$986,594                        | 100%                      |
| Other Revenue   | 40,975                    | -                    | 40,975                           | 100%                      |
| Service Revenue                                       | 310,000                   | 21,067               | 223,662                          | 72%                       |
| <b>Total Broadband Operating Revenues</b>             | <b>\$1,337,569</b>        | <b>\$103,283</b>     | <b>\$1,251,231</b>               | <b>94%</b>                |
| <b>Broadband Operation &amp; Maintenance Expenses</b> |                           |                      |                                  |                           |
| Personnel Costs                                       | \$458,500                 | \$88,480             | \$446,677                        | 97%                       |
| Network Operations                                    | 341,877                   | 47,825               | 345,519                          | 101%                      |
| Brand Management                                      | 64,000                    | 10,000               | 59,409                           | 93%                       |
| Legal Fees  | 20,000                    | 2,665                | 15,996                           | 80%                       |
| Marketing Survey                                      | 45,000                    | -                    | 45,000                           | 100%                      |
| Office Expenses                                       | 120,913                   | 8,426                | 116,879                          | 97%                       |
| Richmond Message Management                           | 25,000                    | 0                    | 25,000                           | 100%                      |
| Travel  | 16,720                    | 2,375                | 14,789                           | 88%                       |
| <b>Total BB Operation &amp; Maintenance Expenses</b>  | <b>\$1,092,010</b>        | <b>\$159,771</b>     | <b>\$1,069,269</b>               |                           |
| <b>Income from Operations</b>                         | <b>\$245,559</b>          | <b>-\$56,488</b>     | <b>\$181,962</b>                 |                           |
| <b>Non-Operating Revenues</b>                         |                           |                      |                                  |                           |
| Interest Income                                       | 2,350                     | 28                   | 2,332                            | 99%                       |
| Installations   | 185,775                   | 5,163                | 185,612                          | 100%                      |
| Other Non-Operating Revenue                           | 1,200                     | -                    | 1,030                            | 86%                       |
| Subtotal Non-Operating Revenues                       | \$189,325                 | \$5,191              | \$188,974                        | 100%                      |
| <b>Total Non-Operating Revenues</b>                   | <b>189,325</b>            | <b>5,191</b>         | <b>188,974</b>                   | <b>100%</b>               |
| <b>Net Income (Loss) from Operations</b>              | <b>\$434,884</b>          | <b>(\$51,297)</b>    | <b>\$370,936</b>                 | <b>85%</b>                |
| Capital Projects                                      | 384,884                   | 8,480                | 222,588                          |                           |
| Reserves  | 50,000                    | -                    | 50,000                           |                           |
| <b>Net Income (Loss)</b>                              | <b>\$0</b>                | <b>-\$59,777</b>     | <b>\$98,348</b>                  |                           |

**Roanoke Valley Broadband Authority**  
**FY 2019 Operations Statement**  
**For the Month Ended July 31, 2018**

|   | <u>FY 2019<br/>Budget</u> | <u>July<br/>2018</u> | <u>FY 18/19<br/>Year to Date</u> | <u>Percent<br/>Budget</u> |
|---|---------------------------|----------------------|----------------------------------|---------------------------|
| <b>Broadband Revenues</b>                             |                           |                      |                                  |                           |
| Contributed Capital                                   | \$788,441                 | \$65,703             | \$65,703                         | 8%                        |
| Service Revenue                                       | 267,240                   | 21,767               | 21,767                           | 8%                        |
| <b>Total Broadband Operating Revenues</b>             | <b>\$1,055,681</b>        | <b>\$87,470</b>      | <b>\$87,470</b>                  | <b>8%</b>                 |
| <b>Broadband Operation &amp; Maintenance Expenses</b> |                           |                      |                                  |                           |
| Personnel Costs                                       | \$515,435                 | \$42                 | \$42                             | 0%                        |
| Network Operations                                    | 322,600                   | 31,650               | 31,650                           | 10%                       |
| Brand Management                                      | 60,000                    | 0                    | 0                                | 0%                        |
| Legal Fees  | 20,000                    | 0                    | 0                                | 0%                        |
| Office Expenses                                       | 94,646                    | 5,276                | 5,276                            | 6%                        |
| Richmond Message Management                           | 25,000                    | 3,000                | 3,000                            | 12%                       |
| Travel  | 18,000                    | 2,179                | 2,179                            | 12%                       |
| <b>Total BB Operation &amp; Maintenance Expenses</b>  | <b>\$1,055,681</b>        | <b>\$42,147</b>      | <b>\$42,147</b>                  |                           |
| <b>Income from Operations</b>                         | <b>\$0</b>                | <b>\$45,323</b>      | <b>\$45,323</b>                  |                           |
| <b>Non-Operating Revenues</b>                         |                           |                      |                                  |                           |
| Interest Income                                       | 200                       | 0                    | 0                                | 0%                        |
| Installations   | 10,000                    | 163                  | 163                              | 2%                        |
| Govt Support  | 198,153                   | 16,513               | 16,513                           | 8%                        |
| Other Non-Operating Revenue                           | 1,000                     | 2,025                | 2,025                            | 203%                      |
| Subtotal Non-Operating Revenues                       | \$209,353                 | \$18,701             | \$18,701                         | 9%                        |
| <b>Total Non-Operating Revenues</b>                   | <b>209,353</b>            | <b>18,701</b>        | <b>18,701</b>                    | <b>9%</b>                 |
| <b>Net Income (Loss) from Operations</b>              | <b>\$209,353</b>          | <b>\$64,024</b>      | <b>\$64,024</b>                  | <b>31%</b>                |
| Capital Projects                                      | 159,353                   | 2,678                | 2,678                            |                           |
| Reserves  | 50,000                    | -                    | -                                |                           |
| <b>Net Income (Loss)</b>                              | <b>\$0</b>                | <b>\$61,346</b>      | <b>\$61,346</b>                  |                           |



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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.

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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 17<sup>th</sup> day of August 2018*