



Lancaster County Broadband Authority  
Minutes of Board Meeting  
January 6 and 20, 2021

## January 6, 2021

**1. Call to Order & Approval of Minutes:** Cassie Thompson called the meeting to order at 4:30 p.m. in the conference room of the County Administration Building. Cassie Thompson, Kevin Bean and Michele Craddock were present. Mark McKercher, Don Gill, and Gary Silverman attended as guests; additionally, participating by telephone, were Jeff and Tyler Beekhoo, Margie Armen and Cherie Kiser. Minutes of the December 2 and 8, 2020 meetings were approved as presented.

## 2. Discussions:

- a. Rescheduling of Cherie's appointment to LCBA. Cassie reported that Cherie's nomination to the Board of Supervisors is rescheduled for the 28 January Board of Supervisors meeting.
- b. Revised RUS application. Cassie reported that the revised Rural Utilities Service (RUS) ReConnect grant application was complete. Gary provided a review of the revised application. The revised RUS application addresses the issues raised in the letter the Authority received from RUS on November 24, 2020, where RUS requested that we make certain adjustments to our grant application before its final consideration.

The adjustments included revisions to the projected operating expenses in the pro forma Income Statement. The adjustments also included a reduction in the number of service connections to homes. This reduction was mandated by RUS's decision to redefine the grant scope in view of the Federal Communications Commission's (FCC) auction in connection with the Rural Digital Opportunity Fund (RDOF). In its November 24, 2020 letter, RUS informed us the service areas that the FCC has classified as eligible for RDOF are now ineligible and that all parts of the Proposed Funded Service Areas (PFSAs) that overlap an RDOF area must be removed from the grant application. Therefore, we had to reduce the number of PFSAs from just over 2,600 residences in the original application to 438 residences in the revised application.

Based on the RDOF new requirement, the financial scope of the revised application was decreased from \$29,132,981 to \$7,230,851. This figure includes Lancaster County's contribution of \$1,807,713 (25% of the total project cost). In addition to the grant-funded portion of the project, the County will contribute sufficient funds to connect an additional 1,300 residences that are located in areas removed from the RUS grant funding

because of RDOF. These residents are located along the routes in which the fiber will be laid to reach the areas which remain within the RUS grant PFSAs. In the revised application, Lancaster County committed an additional \$3,434,751 investment demonstrating Lancaster County's commitment to bring fiber to the home to these residents. These additional customers will have an opportunity to connect to the "trunk line" funded by the RUS grant. The revised project will not include any residences that are within Region 3 (from Kilmarnock to the South and West). These areas are covered by our VATI grant application, and will be addressed in that process.

Don Gill confirmed that the Supervisors have been informed of the project's redesign and that they are in accord with the additional expenditure over and above the County's required 25% contribution. He noted that the total amount authorized is less than the \$8.3 million approved for contribution to the grant as it was originally designed and submitted.

Kevin offered a motion to approve the application and to authorize Don to submit the application tomorrow. Michele seconded the motion. Kevin's motion was approved unanimously.

- c. Wireless and Smart Pole Projects. Mark provided an update on the installation of the wireless project funded by the CARES Act broadband grant. The contractor was delayed due to Covid-19 issues, but the eight antennas should be installed in the upcoming weeks and the fifteen test sites should be operational by the end of January. Additionally, Mark provided an update on the CARES Act smart pole project. The contractor will start auguring post holes for the smart poles next week.
- d. Board Vacancy. The members discussed the vacancy created when Mark McKercher completed his term on December 31, 2020. Cassie suggested that the Authority would benefit from having a person with financial expertise and the other members agreed. Cassie will draft a press release to submit to the Rappahannock Record regarding the vacancy and a status update on the activities of the Authority. Cassie will arrange for FOIA training for the new members. Cassie also noted that the County has sent the members conflict of interest disclosure forms which must be completed by each member.
- e. 2021 Budget. The members discussed the County budget request form. Don reported that there will be funding for an employee to supervise the project if RUS approves the grant application, which should be included in the budget.
- f. 2021 Goals. The members discussed the goals of the Authority for 2021, which will include keeping the community engaged and the continued responsibilities relating to the RUS and VATI grants. Cassie asked the members to consider, for discussion at the next meeting, what areas each member would like to focus their attention in 2021.

**4. Schedule next meeting and Recess:** The meeting recessed to the call of the Chair at 6:20 p.m. The next regular meeting will be held on January 20 at 4:30 p.m.

**January 20, 2020**

**1. Call to order:** Cassie Thompson reconvened the meeting at 4:30 p.m. by teleconference due to Covid-19 issues. Cassie Thompson, Kevin Bean and Michele Craddock were present; Margie Armen and Cherie Kiser attended as guests.

**2. Discussions:**

- a. Review of draft meeting minutes. Michele received input on the draft meeting minutes for the meeting on January 6. Michele will circulate the revised minutes.
- b. Request from Mathews County Broadband Advisory Committee. Cassie reported that she received a telephone call from Joe Syslo, a member of the Mathews County Broadband Advisory Committee. Mathews County intends to form a broadband authority and asked for information on how the Authority was formed. Cassie referred him to the governance documents on the Authority's website.
- c. RUS Update. Cassie reported that she spoke with Jeff Beekhoo to request a list of initial steps the Authority should be prepared to take in the event the Authority is awarded the RUS grant. Jeff reported: (1) the pre-application fee of 5% of the grant, which will be approximately is \$200,000; (2) the grant disbursement agreement requires the County to pay for the initial costs; (3) the full design for the project will need to be completed, which is expected to take a few months; (4) Jeff will draft the RFP for the design firm; (5) the project manager/director of works position will need to be filled by July 2021; (6) BTS has leased office space in the County; (7) if the grant is awarded, Jeff plans to attend the meetings of the Authority to ensure it is fully informed of the project progress; (8) monthly invoices will need to be paid; (9) Jeff is interviewing locally for an assistant; and (9) he recommended the Authority retain the services of a social media marketing company.

A discussion about these preparatory items ensued. Cassie reported that Jeff said social media firm expenses are not reimbursable from the grant funds and will have to come out of the budget. The Authority will issue an RFP. Margie observed that the marketing cannot be solely focused on social media due to the lack of broadband in the County. Cassie has researched some social media firms and noted that many of the firms offer additional services. The group discussed whether paying a social media/marketing firm was warranted, additional media outlets besides social media, such as newspaper, and the possibility of forming a committee and enlist members of the community with marketing expertise to assist.

The members discussed the job responsibilities of the project manager/director of works and that timing of the hire may be affected by the individual's job responsibilities and the project timeline. A hire sooner than July may be necessary for the Authority to oversee the contractual obligations of the consultants and vendors, ensure the requirements of the grant are met, and to monitor construction of the network. Kevin stated the project manager/director of works should be intimately familiar with all aspects of the grant and

the project, from administering the grant, to making sure bills are paid and the design build is correct. The members agreed that the project manager/director of works should be responsible for the granular level compliance issues, but the Authority has overall responsibility to ensure the obligations and milestones required by the grant are met. Kevin will draft a job description for the position of project manager/director of works. Cassie noted that the funds required to fill the position should be included in the 2021 budget.

Cassie noted Don intended to control and disburse the funds. The members discussed the need for oversight and the importance of having appropriate controls in place and for the funds to be held and accounted for in accordance with governmental requirements.

Cherie will draft a checklist containing the obligations, milestones, financial reporting requirements, and other requirements of the grant. The Authority will use the checklist as a guideline to ensure compliance. Cherie and Michele will explore any additional requirements that may be imposed by the Commonwealth.

- d. Eastern Shore of Virginia Broadband Authority meeting. Cassie reported that Don informed her that he, Jack Larson, Ernst Palin, and Gary Silverman will meet with the Eastern Shore of Virginia Broadband Authority and conduct a site visit next week. Cassie believed that it was appropriate for members of the Authority to attend and Don agreed. Cassie and Kevin will attend the meeting. Cherie and Michele will draft a list of questions/issues to discuss with the Eastern Shore of Virginia Broadband Authority.
- e. Survey. Cassie reported that Board of Supervisor member Bob Westbrook asked for information about the survey the Authority conducted because the Board of Supervisors may be interested in surveying residents on another issue. Cassie agreed to provide assistance as needed.
- f. Monthly Report. The Board of Supervisors will meet on January 28th. Michele will prepare the monthly report and Cassie will deliver it.

**3. Schedule next meeting and adjourn:** The meeting adjourned at 6:10 p.m. The next regular meeting will be held on February 3 at 4:30 p.m. in the public meeting room of the County Administration Building.

Respectfully submitted,



Secretary