

THE FRANKLIN COUNTY BROADBAND AUTHORITY HELD THEIR REGULAR MONTHLY MEETING ON TUESDAY, JULY 21, 2020, AT 12:00 P.M., IN MEETING ROOM B75 LOCATED IN THE GOVERNMENT CENTER, 1255 FRANKLIN STREET, SUITE 104, ROCKY MOUNT, VIRGINIA.

THERE WERE PRESENT: Mike Carter
Tommy Cundiff
Leland Mitchell
Ronald Mitchell
Lorie Smith
Tim Tatum
Ronnie Thompson

OTHERS PRESENT: Christopher Whitlow, County Administrator
Mike Lockaby, County Attorney
Steven Sandy, Director of Planning & Community Development
Madeline L. Sefcik, Clerk

Leland Mitchell, Chairman called the meeting to order.

STEVEN SANDY, DIRECTOR OF PLANNING & COMMUNITY DEVELOPMENT

Mr. Sandy explained in 2019, the Franklin County Broadband Authority issued a Request for Proposals (RFP), under the requirements of the VA Public-Private Education Facilities & Infrastructure Act (PPEA), for conceptual phase proposals from private firms or joint ventures to provide for expansion of broadband access and capacity into un-/under-served areas of the County. The RFP set forth the terms and conditions whereby the Authority may enter into a comprehensive agreement with one (or more) successful Offeror(s) to provide the partnership services described in the proposal.

The PPEA is the legislative framework enabling the Commonwealth of Virginia, local governments, and other political subdivisions to enter into agreements authorizing private entities to design, construct, improve, finance, maintain, and/or operate qualifying public construction or infrastructure projects. The period of any resulting contract(s) from this PPEA-RFP will be as negotiated by the Authority and the selected PPEA partner(s).

The RFP described the Authority's desire to expand broadband access in unserved areas and improved capacity in underserved areas using a Public/Private Partnership providing quality broadband to its citizens. The RFP recognized the economics of expanding broadband in rural areas and that the Authority is prepared to take action to improve those economics as much as possible to entice private sector investment. It also points out that the Authority is technology agnostic and understands the need to leverage all technologies to deliver broadband to every area and as such is open to forming partnerships with more than one provider, as well as incumbents.

In the past several years, the County and the Authority have worked with the Center for Innovative Technology (CIT) and consultant, Design Nine, Inc., to identify potential broadband adoption barriers, current broadband demand, future capacity needs, local assets, and to review County ordinances and policies related to broadband deployment. The RFP recognized the Authority's commitment to taking action to improve the economics of deploying broadband and improving utilization of Internet access to ensure citizens have the access and ability to leverage connectivity to improve their lives and our community, while preparing the County for the future. The RFP summarizes the findings of this work, the Authority's broadband goals and the associated actions the Authority is committed to take in support of the resulting public-private partnership(s).

In 2019, the Authority initiated the PPEA RFP and it was posted to the County website and advertised for 60 days in accordance with law and the Authority authorized the County Administrator, or designee, to provide public information to, and meet with, other potential proposers during the advertising period upon request.

In addition, an advisory committee was formed to evaluate proposals. The advisory committee was made up of the following members:

- a. Broadband Authority Chairman and Vice-Chairman
- b. County Administrator
- c. Deputy County Administrator
- d. Director of Planning & Community Development
- e. Director of Economic Development
- f. Director of IT
- g. Emergency Communications Coordinator
- h. GIS Coordinator
- i. Andrew Michael Cohill, Ph.D., President of Design Nine, Inc. (Consultant)

In evaluating the proposals, the advisory committee considered (i) the proposed cost of the qualifying facility; (ii) the general reputation, industry experience, and financial capacity of the private entity; (iii) the proposed design of the qualifying project; (iv) the eligibility of the facility for accelerated selection, review, and documentation timelines under the responsible public entity's guidelines; (v) local citizen and government comments; (vi) benefits to the public; (vii) the private entity's compliance with a minority business enterprise participation plan or good faith effort to comply with the goals of such plan; (viii) the private entity's plans to employ local contractors and residents; (ix) public input at a public hearing on the matter; and (x) other criteria that the advisory committee deems appropriate, and make a written recommendation to the Board of its recommendation. The advisory committee recommended the proposal(s) that constituted the best value, meaning the overall combination of quality, price, and the various elements of required services that in total are optimal relative to the Authority's needs.

The RFP stressed the need to develop projects that can utilize grant funding, use of existing infrastructure and other innovative ideas to limit the amount of County capital or operating funding.

The advisory committee met with the consultant and review proposals and made a recommendation to the Authority at the July 2019 Broadband Authority meeting. The Authority accepted the recommendation and directed staff to move to detailed phase of PPEA process with Blue Ridge Towers/Brisnet and Point Broadband and begin conceptual design for phased approach of fixed wireless and fiber deployment in the County. This detailed phase of the process was to be conducted in conjunction with the County's newly adopted broadband plan.

The County also received unsolicited proposals from Shenandoah Telecommunications Company, Inc. (Shentel) to expand coaxial fiber to the home in several residential areas to help meet the broadband objectives. These proposals were recommended by the advisory committee and the Authority.

In an effort to increase access to broadband in Franklin County, the Board of Supervisors and Broadband Authority adopted a Strategic Plan for Broadband Deployment in August 2019. This plan identifies an approach to develop a new fixed wireless system throughout the County as well as extend fiber to the home wherever possible and financially feasible. The County received \$650,000 in funding in 2019 from the Virginia Tobacco Commission to complete several fiber projects with Shentel. In January of this year, the County received approval of a grant application through the Virginia Telecommunications Initiative (VATI) in the amount of \$2.3 million to assist in building Phase 1 of the Plan. Phase 1 of the Plan calls for the construction of six (6) new towers. These towers are proposed to be built at Snow Creek, Callaway, Sontag, Glade Hill, Westlake, and Summit View Business Park. The state recently authorized the County to begin due diligence work on these proposed towers while contract negotiations are finalized.

In January 2020, Franklin County was awarded \$2,383,039 to continue development of a hybrid fiber-wireless solution that the County believes will solve the broadband issue in Franklin County as identified in the County's Broadband Plan adopted by the Franklin County Broadband Authority in August 2019. This hybrid solution calls for deploying fiber in areas where it is financially feasible and fixed wireless in phases on existing structures where possible and building new structures where needed to reach the more rural and remote communities of Franklin County. The Broadband Plan also outlines a phased approach to installing fiber to the homes in the County's designated growth areas and villages. These areas are expected to have higher residential density and more commercial activity making these areas more practical and cost effective to serve with fiber.

The awarded 2020 VATI Program funding (See attached 2020 VATI application) from the state will be used by the County begin a collaborative effort to satisfy Phase 1 of the County's Broadband Plan. This collaborative effort will involve Blue Ridge Towers/Brisnet and Shentel as private partners in providing fixed wireless internet as well as fiber to the home service in some areas.

Blue Ridge Towers/Brisnet is proposing to provide fixed wireless broadband service to some of the communities most in need. These areas include Burnt Chimney, Scruggs, and Westlake in the northeast; Glade Hill, Snow Creek, Sontag, and Tom's Knob in the southeast; Callaway and Boones Mill in the northwest; and Fork Mountain and Henry in the southwestern portion of the County. This initial funding for the fixed wireless system in Phase 1 is expected to will allow for service to more than 21,500 homes, businesses, and other critical sites in Franklin County. Blue Ridge Tower/Brisnet is making a substantial private equity contribution to this effort. This service is expected to provide 50 to 100 mbs internet speeds to residential customers in these communities.

Shentel has also prepared a solution to provide new fiber connections to the homes in areas designated in the County's Broadband Plan. Shentel proposes to add 6.5 miles of new fiber in the Union Hall Village area to serve an estimated 190 properties, homes and businesses along Old Salem School Road in the Penhook community, which is part of the County's Village Plan for this area. This fiber provides up to 1 Gbps service to residences and businesses in this growth area. Shentel is also making a substantial contribution of expertise and financial support.

Staff and County Attorney developed contract documents with Shentel and Blue Ridge Towers/Brisnet to comply with the PPEA and VA Telecommunications Initiative (VATI) grant requirements. A public hearing to receive public comments was held at 6 pm on June 16, 2020. In addition, the draft contract documents were placed on the County's website and have been available for public review at the County's Planning Department Office for the past thirty (30) days. As of the date of this report, staff has received one email with comments which is attached.

These contract documents set forth the obligations of each party for constructing infrastructure, deploying broadband service and processing payments to comply with State and Local requirements under the PPEA, Tobacco Commission and VATI grant guidelines.

Under the Shentel agreement, Shentel agrees to install and operate the fiber projects as outlined and provide service and customer support. Franklin County agrees to submit appropriate reimbursement requests to the VA Tobacco Commission and VATI for grant funding and provide project accountability.

Under the Blue Ridge Towers/Brisnet agreement, BRT agrees to construct towers, provide equipment including antennae, fiber, microwave backhaul; own and operate the fixed wireless system; provide customer service and marker the Broadband Authority's new vertical assets (towers). Franklin County is providing county assets, accountability ad staff resources including financial reporting and reimbursements to comply with state and local requirements.

Staff feels the documents are acceptable for approval and, with the approval by the Authority and private partners, construction of Phase 1 can begin.

General discussion ensued.

(RESOLUTION #01-07-2020)

A RESOLUTION OF THE FRANKLIN COUNTY BROADBAND AUTHORITY AUTHORIZING ENTRY OF COMPREHENSIVE AGREEMENTS UNDER THE PUBLIC-PRIVATE EDUCATION FACILITIES AND INFRASTRUCTURE ACT OF 2002

WHEREAS, the Authority is a political subdivision of the Commonwealth of Virginia, lawfully existing under the provisions of the Wireless Service Authorities Act, Chapter 54.1 of Title 15.2 of the Code of Virginia, 1950, as amended; and

WHEREAS, the Authority adopted, on or about January 16, 2018, guidelines (the "Guidelines") implementing the provisions of the Public-Private Education Facilities and Infrastructure Act of 2002, Chapter 22.1 of Title 56 of the Code of Virginia, 1950, as amended (the "PPEA"); and

WHEREAS, on or about April 20, 2019, the Authority received an unsolicited proposal under the PPEA to form a public-private partnership with a consortium led by Blue Ridge Tower, Inc. ("BRT"), to provide internet service to unserved and underserved areas of Franklin County. It advertised for competing proposals, in accordance with the Guidelines; formed a selection committee to analyze and evaluate the proposal; and voted to enter negotiations with BRT on July 16, 2019 to complete a comprehensive agreement; and

WHEREAS, on or about April 1, 2019, the Authority received an unsolicited proposal under the PPEA to form a public-private partnership with Shenandoah Telecommunications Company ("Shentel"), to provide internet service to unserved and underserved areas of Franklin County. It advertised for competing proposals in accordance with the Guidelines; formed a selection committee to analyze and evaluate the proposal; and voted to enter negotiations with Shentel on August 20, 2019 to complete a comprehensive agreement; and

WHEREAS, on or about September 4, 2019, the Authority submitted an application, in conjunction with BRT and Shentel, for a grant from the Virginia Telecommunications Initiative ("VATI") administered by the Department of Housing and Community Development ("DHCD") in order to expand internet in Franklin County. The Authority was awarded \$2,383,039 to assist in the expansion of wireless internet into the County; and

WHEREAS, the Authority, its private partners BRT and Shentel, and DHCD have negotiated agreements that provide for a true partnership to expand internet availability into the County, with substantial public and private grants, investments, and risk-sharing; and

WHEREAS, the Authority held on June 16, 2020, a public hearing to receive comment on whether and under what terms to enter a comprehensive agreement under the PPEA; and

WHEREAS, the Authority and its partners have complied with all provisions of the PPEA and wish to enter into the Comprehensive Agreement.

NOW THEREFORE BE IT RESOLVED:

1. That the Comprehensive Agreements with Blue Ridge Tower, Inc., and Shenandoah Telecommunications Company are in the best interest of the Authority; and
2. The Chairman is authorized and directed to execute the grants agreement with the Department of Housing and Community Development (DHCD), attached to and incorporated herein as **Exhibit A**, on behalf of the Authority; and

3. The Chairman is authorized and directed to execute the Comprehensive Agreements with BRT and Shentel, attached to and incorporated herein as **Exhibit B** and **Exhibit C**, on behalf of the Authority; and
4. The County Administrator, himself or through his designees, is authorized to take such administrative acts as may be necessary to carry out the implementation of the provisions of the three agreements whose execution is authorized by this Resolution.

This resolution is effective upon adoption.

MOTION BY: Ronald Mitchell
SECONDED BY: Tim Tatum
VOTING ON THE MOTION WAS AS FOLLOWS:
AYES: Carter, Cundiff, L. Mitchell, R. Mitchell, Smith, Tatum, Thompson

Roll Call was taken

MIKE LOCKABY, COUNTY ATTORNEY AND STEVEN SANDY, DIRECTOR OF PLANNING & COMMUNITY DEVELOPMENT

Discussion/Approval of 2021 VATI Applications for Phase 1 Broadband

In an effort to increase access to broadband in Franklin County, the Board of Supervisors and Broadband Authority adopted a Strategic Plan for Broadband Deployment in August 2019. This plan identifies an approach to develop a new fixed wireless system throughout the County as well as extend fiber to the home wherever possible and financially feasible. The County's plan has identified a phased, hybrid approach that involves working with private partners to increasing broadband access in the County. The County received \$650,000 in funding in 2019 from the Virginia Tobacco Commission to complete several fiber projects with Shentel. In January of this year, the County received approval of a grant application through the Virginia Telecommunications Initiative (VATI) in the amount of \$2.3 million to assist in building Phase 1 of the Plan. Phase 1 of the Plan calls for the construction of six (6) new towers to build out a fixed wireless network. These towers are proposed to be built at Snow Creek, Callaway, Sontag, Glade Hill, Westlake, and Summit View Business Park. In addition, Shentel is installing additional fiber in the Union Hall area. The state recently authorized the County to begin due diligence work on these proposed towers while contract negotiations are finalized.

A public hearing was held on the proposed contracts and contract documents have been made available for a 30-day comment period. Review and possible approval of the contracts is expected at the July 21st meeting.

The Virginia DHCD has opened up the next round of funding for VATI. The Authority issued a Notice of Intent to Apply for two applications at the June 16th meeting. The County proposes to submit one application with Shentel and another application with Blue Ridge Towers/Brisnet. Both applications will continue work that was started with the 2020 VATI application. Staff has developed a proposal with Blue Ridge Towers/Brisnet and Shentel for a Phase 2 buildout of fixed wireless and fiber respectively.

The primary location for additional towers to support fixed wireless deployment are identified as Cahas Mtn./Naff, Endicott, Sago, and Windy Gap. In addition, co-location of equipment proposed on existing towers in Redwood, Union Hall, and Ferrum. See attached map for proposed fixed wireless tower buildout. The primary locations for fiber extensions with Shentel are identified as Hardy, Scruggs, Penhook, Union Hall, and Wirtz. Final application deadline is August 17, 2020.

It is expected that the Shentel projects will have an estimated cost of \$2.1 million. Shentel is requesting \$1.55 million in VATI grant funding to assist with these projects. These fiber extensions are expected to reach approximately 550 premises. See attached spreadsheet and map for costs and anticipated coverage areas. No county funding has been requested. Some neighborhoods have indicated a willingness to provide some matching funding.

The Blue Ridge Towers/Brisnet application for expanding the fixed wireless coverage will involve constructing five (5) new towers and co-locating on three more sites to enhance coverage obtained through the VATI 2020 grant. The expanded coverage is expected to reach approximately 5300 premises. The total cost of the project is currently estimated to be \$3.25 million. Grant funding is being requested for \$1.7 million. It is anticipated that the County will provide \$146,000 in cash as well as in-kind services of \$473,000 as a local match for this project. This funding is expected to come from the County's Broadband capital account.

(RESOLUTION #02-07-2020)

BE IT THEREFORE RESOLVED by the Board of Supervisors to Authority authorize the County Administrator to sign and submit the 2021 VA Telecommunication Initiative (VATI) applications to VA DHCD with Blue Ridge Towers/Brisnet and Shentel for the projects outlined above.

MOTION BY: Ronnie Thompson
SECONDED BY: Lorie Smith
VOTING ON THE MOTION WAS AS FOLLOWS:
AYES: Carter, Cundiff, L. Mitchell, R. Mitchell, Smith, Tatum, Thompson

Chairman Mitchell adorned the Authority until August 18, 2020 for their regularly scheduled meeting.
