

MINUTES

Special Rate Hearing & Regular Meeting of the Board of Directors of the Eastern Shore of Virginia Broadband Authority

January 29, 2015

Board members in attendance were: Steve Miner, Katie Nunez, Pete Lalor, Elaine Meil and John Reiter.

ESVBA management participating in the meeting who were in attendance: Nicholas Pascaretti and Leah Hoopes (Secretary)

Members of the public attending were:
Judy Morgan, Bill Parr, Ron VanGeijn, Scott Webb, and Mike Zodun

Katie Nunez called the meeting to order at 2:02 pm.

AGENDA ADOPTION

*Mr. Lalor moved to adopt the agenda. Mr. Reiter seconded.
Motion passed unopposed.*

PUBLIC COMMENT

- Scott Webb (NASA): stated he is very pleased with ESVBA's service, NASA's cost savings, and the customer service provided by Nicholas Pascaretti and the ESVBA staff. Mr. Webb provided an overview of the original NASA earmarks and also expressed concerns about commercial carriers and their limited infrastructure and service records. Mr. Webb commented on NASA's concerns of any potential sale, or change of control, of the ESVBA.
- Judy Morgan (Eastern Shore Communications (ESC)): commented about the need for a price reduction in order to stay competitive and also the need to lower construction costs. Ms. Morgan stated that IP pricing on Chincoteague can be as low as \$1,600 for 100Mb/s. Ms. Morgan also commented on an "equitable" cost structure for construction charges and that an organizations total monthly should be used when calculating construction charges for any project.
- Ron VanGeijn (Eastern Shore Communications (ESC)): Mr. van Geijn stated that ESC's started in 2011 and that the biggest holdups for broadband expansion to residential customers are the ESVBA's charges. Mr. van Geijn

stated that with the increase in IP devices, the oversubscription ratios have decreased and also that residential customers do not have the skill sets to install equipment and it takes longer and costs more money to provide these services.

REVIEW OF MINUTES

Mr. Lalor moved to approve the amended Regular Meeting Minutes from November to change the word "county" to "construction" under ESVBA price reduction. Mr. Miner seconded. Ms. Meil and Mr. Reiter abstained. Motion passed unopposed.

STATUS REPORT

1. Bloxom Tower- Mr. Pascaretti provided an update stating that he's waiting on the plans to be reviewed and possibly revised by the Accomack Environmental Program Manager.
2. Town Broadband Initiative Program (BIP)- Mr. Pascaretti reported that Onancock BIP is ending at the end of January and the others are all in progress.
3. Wi-Fi Hotspots- Accomack Visitor Center's proposal is still being reviewed by VDOT. The Randy Custis Park and Central Park in Accomack are installed and in service.
4. VDOT Road Jobs- Mr. Pascaretti spoke about the need to transfer and reattach cable on four poles on Horntown Road and the need to replace cable on to new poles on Church Road in Accomac.
5. Tangier Island- No new updates.
6. Service Level Metrics- Mr. Pascaretti explained that the core router failed in Cheriton on January 10th. Customers were transferred to Wallops router and the router was replaced the same day. Mr. Reiter asked how long the outage was for, and Mr. Pascaretti informed him that IP customers were out of service for approximately two hours. Mr. van Geijn asked if there was a way to set up redundancy for ESVBA's NMS.

Mr. Lalor asked if there is any way to determine how successful the BIP programs are. Mr. Pascaretti said it is not possible by IP address however, some information can be gained by looking at the amount of traffic passing through node.

NEW BUSINESS

- a. Chair & Vice Chair- *Mr. Lalor nominated Steve Miner as Chairman. Ms. Nunez nominated Elaine Meil as Vice Chair. Lalor moved to make Mr. Miner Chair and Ms. Meil Vice Chair. Mr. Reiter seconded. Motion passed unopposed.*
- b. ESVBA Price Reduction- Mr. Pascaretti provided a price reduction model and diagram to the BOD, that is focused to help Wireless Access Service Providers (WISPs) provide broadband services to residential customers. The WISP EVPL Pricing model reduces the costs of transport by up to 56% but is restricted to towers/poles 50' or greater. Ms. Meil asked if this program would be retroactive, and Mr. Pascaretti said that he felt this program should only be applied to new installations. Ms. Nunez expressed concerns about the limitation to only ten sites, and Mr. Pascaretti stated that if needed, the number of sites could always be increased in the future. Mr. Lalor expressed concern about the need for public advertisement and delay if it was determined that the number of sites need to be increased. Mr. Pascaretti stated that this would not be a pricing change, but a policy change and felt that public advertisement would not be required. Mr. Parr asked if there would be a term for this pricing. Mr. Pascaretti suggested the term would be 60 months. Mr. van Geijn stated that ESC's has 14 sites, and only 4 would qualify and it would not help ESC's. Mr. Miner asked that the BOD be updated on the implementation of this plan. Ms. Meil stated that there may be some interference issues with wireless deployment in the Wallops area. Mr. Webb informed the BOD that prior to a launch; NASA had to dispatch people to turn off ESC's wireless access devices which were causing interference with NASA's communications.
*Ms. Nunez motioned to approve the proposed pricing model with a 60 month term from date of adoption. Mr. Lalor seconded.
After discussion, motion passed unopposed.*
- c. ESVBA Remote Board Meeting Attendance- Mr. Pascaretti presented the BOD with an ESVBA Remote Board Meeting Attendance Policy.
*Ms. Nunez moved to approve the amended policy to change the last paragraph to state "In the event the Chairman is making the request, it shall be considered approved upon communicating request to the Vice Chair."
Mr. Lalor seconded. Motion passed unopposed.*
- d. In-House Cable Placing- Mr. Pascaretti suggested to the BOD that the ESVBA could benefit from a lineman and a the purchase of a company vehicle designed for cable placing to do cable installs and repairs in a timely manner. He stated that it is increasingly difficult to get line construction contractors to come to the Eastern Shore for small jobs and

outages. The approximate cost of a truck is \$200,000.

OLD BUSINESS

- a. County BIP Program- Mr. Pascaretti explained he received a letter stating that Northampton County is interested in the county BIP Program. Ms. Nunez added that the water tower in Eastville was put out to bid and Northampton County has received proposals from Declaration Networks and Chesapeake Bay Communications. Northampton County has signed an agreement with Declaration Networks. Ms. Nunez also stated that Northampton County would like to have further discussions with ESVBA to regarding the County BIP. Mr. Lalor expressed concern that the any fiber extensions should have some kind of return on any investment by the ESVBA.
- b. County Payback- Mr. Pascaretti presented the BOD with a county payback chart, showing the payments will be \$25k to Northampton County and \$75k to Accomack County for 2014.

CLOSED SESSION

Motion to enter into closed session according to Section 2.2-3711 of the Code of Virginia of 1950, as amended;) Paragraph 1: Discussion, consideration, or interviews of prospective candidates for employment; assignment, appointment, promotion, performance, demotion, salaries, disciplining, or resignation of specific public officers, appointees, or employees of any public body. Paragraph 34: 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 records and trade secrets excluded from this chapter pursuant to subdivision 19 of § 2.2-3705.6 made by Ms. Nunez, seconded by Mr. Lalor. The following board members were present Ms. Nunez, Mr. Lalor, Mr. Miner, Ms. Meil and Mr. Reiter and voted affirmative.

After closed session, the Chair reconvened the meeting. Motion was made by Mr. Reiter, seconded by Mr. Lalor that the Board had entered the closed session for that purpose as set out in Paragraph 1 and Paragraph 34 of Section 2.2-3711 of the Code of Virginia of 1950, as amended. Roll call vote taken Vote was that no other business discussed than as advised in Paragraph 1 and 34. The following board members were present Ms. Nunez, Mr. Lalor, Mr. Miner, Ms. Meil, and Mr. Reiter and voted affirmative.

MOTION

Ms. Nunez moved to extend an incentive pay of \$9,017.00 under target one and a

bonus of \$10,631.24 (7.5% of salary) under target two of Nicholas Pascaretti's contract. Mr. Lalor seconded. Motion passed unopposed.

MOTION

Ms. Nunez retroactively confirmed the decision to extend \$1,500.00 bonuses to staff in December of 2014. Mr. Lalor seconded. Motion passed unopposed.

MOTION

Ms. Nunez moved to authorize the Executive Director to purchase a gift for Mike Zodon for his services over the years. Mr. Lalor seconded. Motion passed unopposed.

ADJOURNMENT

Miner moved to adjourn the meeting at 5:03pm. Mr. Lalor Seconded. Motion passed unopposed.

These minutes were approved at the March 19, 2015 meeting of the Board of Directors of ESVBA.



A handwritten signature in blue ink, appearing to be 'J. Miner', is written over a horizontal line.

Presiding Officer

Copy teste:



A handwritten signature in black ink, appearing to be 'Leah Hoopes', is written over a horizontal line.

Leah Hoopes, Secretary