

# NELSON COUNTY BROADBAND AUTHORITY

P.O. Box 336 • Lovingson, VA 22949 • 434-263-7000 • Fax 434-263-7004

## MEMBERS

Thomas H. Bruguire, Jr.  
Jesse N. Rutherford  
Thomas D. Harvey  
Larry D. Saunders  
Gary W. Strong

## OFFICERS

Amanda B. Spivey, Secretary  
Linda K. Staton, Treasurer

**AGENDA**  
**NELSON COUNTY BROADBAND AUTHORITY**  
**DECEMBER 12, 2023**  
**THE MEETING CONVENES AT 1:00 P.M.**  
**IN THE GENERAL DISTRICT COURTROOM**  
**OF THE COURTHOUSE IN LOVINGSTON, VIRGINIA**

- I. Call to Order**
- II. Public Comments**
- III. Consent Agenda**
  - A. Resolution – R2023-04** Minutes for Approval
- IV. Presentation**
  - A. Firefly Fiber Broadband Progress Update**
- V. New/Unfinished Business**
  - A. Treasurer’s Report**
  - B. Dissolution & Termination of NCBA (R2023-03** tabled from June 13, 2023 NCBA meeting)
- VI. Other Business (As May Be Presented)**
- VII. Adjournment**

NELSON COUNTY BROADBAND AUTHORITY  
P.O. Box 336 • Lovingson, VA 22949-434-263-7000 Fax 434-263-7004

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**RESOLUTION R2023-04**  
**NELSON COUNTY BROADBAND AUTHORITY**  
**APPROVAL OF MEETING MINUTES**  
**(June 13, 2023)**

**RESOLVED**, by the Nelson County Broadband Authority that the minutes of said Authority meeting conducted on **June 13, 2023** be and hereby are approved and authorized for entry into the official record of the Broadband Authority meetings.

Approved: December 12, 2023

Attest: \_\_\_\_\_, Secretary  
Nelson County Broadband Authority

June 13, 2023

**Virginia:**

AT A REGULAR MEETING of the Nelson County Broadband Authority Board at 1:00 p.m. in the General District Courtroom located on the third floor of the Nelson County Courthouse, Lovingston, Virginia.

Present: Gary W. Strong, Central District – Chair  
Jesse N. Rutherford, East District – Vice Chair  
Larry D. Saunders – South District  
Thomas H. Bruguere, Jr. – West District  
Candice W. McGarry, County Administrator, Treasurer  
Amanda B. Spivey, Secretary  
Linda K. Staton, Director of Finance and Human Resources

Absent: Thomas D. Harvey – North District

**I. CALL TO ORDER**

Mr. Strong called the meeting to order at 1:00 p.m. with four (4) members present to establish a quorum and Mr. Harvey were absent.

**II. PUBLIC COMMENTS**

There were no persons present to speak under public comments.

**III. CONSENT AGENDA**

Mr. Rutherford moved to approve the Consent Agenda as presented and Mr. Saunders seconded the motion. There being no further discussion, Members voted to approve the motion, with Mr. Bruguere abstaining from the vote, and the following resolution was adopted:

A. Resolution – R2023-02 Minutes for Approval

**RESOLUTION R2023-02  
NELSON COUNTY BROADBAND AUTHORITY  
APPROVAL OF MEETING MINUTES  
(January 10, 2023)**

**RESOLVED**, by the Nelson County Broadband Authority that the minutes of said Authority meeting conducted on **January 10, 2023** be and hereby are approved and authorized for entry into the official record of the Broadband Authority meetings.

**IV. PRESENTATION**

A. Firefly Fiber Broadband Progress Update

June 13, 2023

Mr. Gary Wood of CVEC and Firefly was present and he introduced Melissa Gay as the Communications and Member Services Manager at Central Virginia Electric Cooperative (CVEC). He noted that she also did the Communications and Public Relations work for Firefly.

Mr. Wood provided a quick snapshot of Firefly's progress. He reported that they were actively connecting anyone who was signing up for service in the areas already completed for CVEC (Colleen, Gladstone, Martin's Store, Midway, and Wintergreen). He noted that about 50 CVEC customers in Massies Mill were waiting for service, and around 100 CVEC customers in Schuyler were also waiting to be connected.

Mr. Wood then reported on progress in Appalachian Power areas (APCo). He noted that they had just completed the Wilson Hill Road fiber build, and he commented that splicing was nearly complete and connections were starting. He then noted that Arrington construction was finished and they were still making connections. He reported that the southernmost part of Phoenix Road was still waiting on some make ready work by ApCo that should be completed within the next month or so, and they would then be able to get the fiber in.

Mr. Wood commented that Shipman down to Hunting Lodge Road and Glade Road was initially reported complete by ApCo, but a few work orders had been left off and they had come back to finish work in a few locations. He reported that they still had some work to do there in Shipman before final connections could take place. He estimated that there were about 80 customers in that area waiting to be connected.

Mr. Wood reported that in the Buffalo Mines/Harewood area, construction was complete and connections were starting that week. He noted that the connections in the Findlay Mountain/Williamstown/Cedar Creek areas would be finishing up within the next few weeks. He commented that there were about 25 to 30 connections left to make. Mr. Wood also reported that there were a few folks left in the APCo area of Lovington that they were working on. He indicated that the AEP area of Massies Mill to Pharsalia area would be finished up around the same time as the CVEC area there.

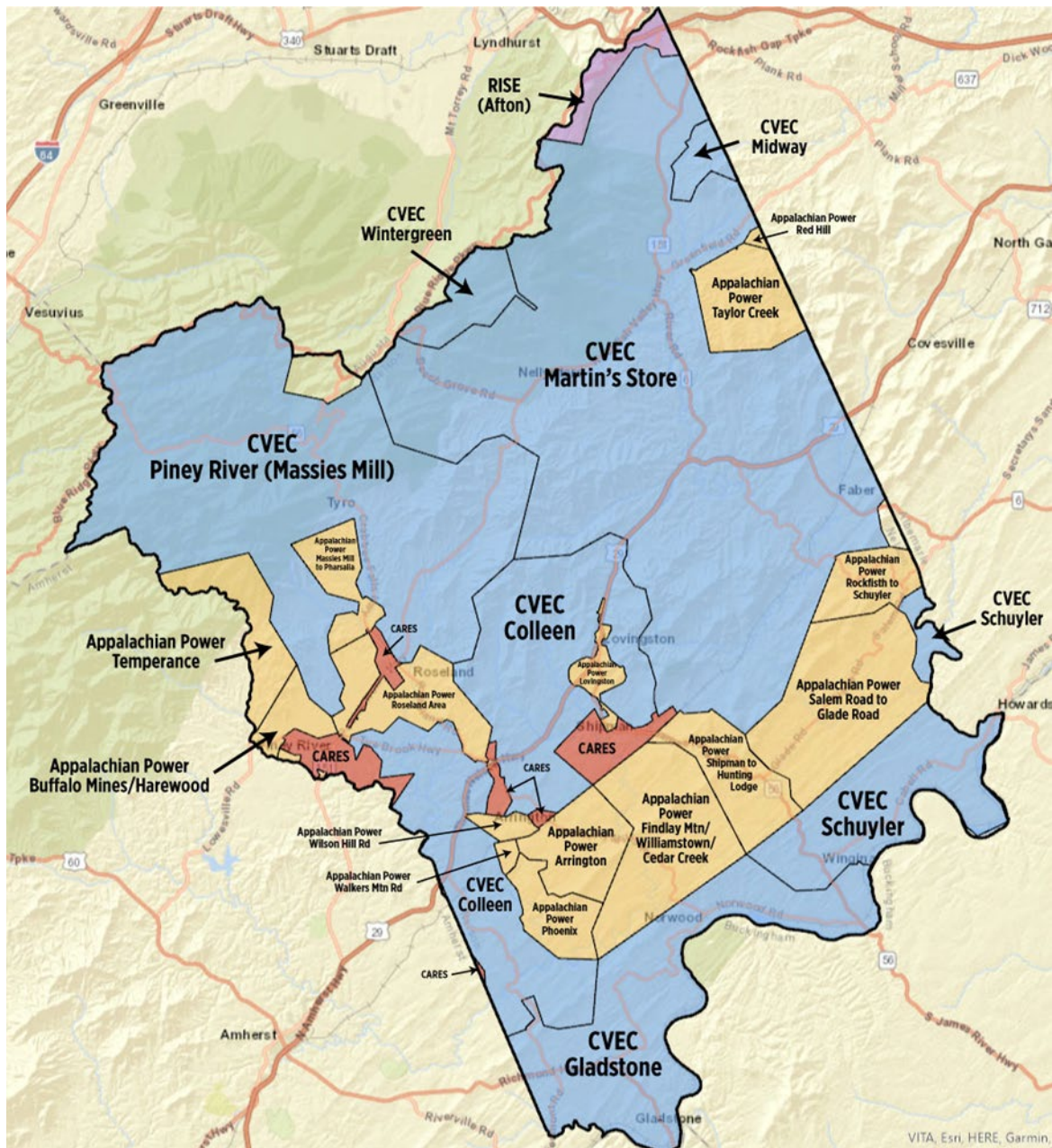
Mr. Wood then reported that a large part of Rockfish to Schuyler was finished. He noted that in the Roseland area (Dark Hollow/Roseland Road and back towards Cow Hollow/Henderson's Store), construction was complete and they were making final connections.

Mr. Wood reported that construction was complete on Taylor Creek Road, with about half of the pre-registered homes already connected. He estimated that about 30 homes along Taylor Creek Road had pre-registered. He then noted that the section of AEP area that comes from Temperance into the Piney River area had some people on the Nelson side of the river. He reported that they had starting making connections in that area and had about 100 connections total in the area, with 50 or so being in Nelson.

Mr. Wood commented that in total, they had about 850 people waiting for connection, that had pre-registered with Firefly. He noted that most of those people were in areas where they just needed to make final connections, with the few areas previously mentioned that needed a little construction work. He reported that they had 5,250 live connections to homes, out of the 10,500 locations, which equated to about a 60 percent take rate in total. He pointed out that the numbers did not include about 1,500 homes that had other providers for their internet service.

Mr. Wood commented that when Firefly finished over the next few months into the fall, there should be close to 8,000 out of the 10,000 with fiber service in Nelson County. Mr. Wood noted that Firefly would have all but about 1,500 of those customers as they were served by other providers. He pointed out that Firefly service was available to those with other providers.

Mr. Wood showed a map of the Firefly projects in the County.



Mr. Wood noted that they had some construction to finish around Falling Rock and Phoenix Road. He reported that they needed to finish construction at the end of Walkers Mountain subdivision. He noted that CVEC served all of the homes in Walkers Mountain with the exception of about 8 to 10 homes at the end of the subdivision were served by ApCo. He reported that they originally planned to drop the fiber from the last CVEC pole and go underground to serve the ApCo portion, but that plan was foiled when they were unable to obtain an easement. He explained that ApCo ran the power across the tracks into Walkers Mountain from the Wilson Hill Road side, so they would now be going back and building on the ApCo power line. He noted that they had applied for a railroad crossing permit and they were in process for that.

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He noted that connections were ongoing and they had been making connections along Roseland Road. He commented that most of the people in Massies Mill were connected.

Mr. Wood indicated that Dominion had started their fieldwork to build the northern piece in Afton for their middle mile. He explained that Firefly would come off of Dominion's lines, off of their fiber, which Firefly would lease from them, and Firefly would build the rest of their fiber to connect about 200 people in that area.

Mr. Wood then showed a small area in Love that was served by Shenandoah Valley Electric Cooperative, which was about 25 homes in Nelson County. He explained that Firefly would build underground off of the end of their system. He noted that design work would start later in the year. He noted that they hoped to have the Dominion and Shenandoah Valley customers connected by the end of next year (about 250 customers).

Mr. Strong commented on the 850 people expected to be connected and noted that the Broadband Authority was considering dissolution of the Authority. He suggested that they may wait to dissolve until those connections were completed. Mr. Wood noted that most of the connections left in Nelson County involved some underground work for installation. He indicated that would require 811 markings and commented that the 811 contractors were struggling right now. He noted that the delay had kept them from doing any more than 150 installs in the last two months. Mr. Wood estimated that they would be looking at late summer into the fall to connect the 850 customers. He commented that they would get everyone connected in the current year, as soon as they could, and if they found ways to expedite the process, they would.

Mr. Strong commented that the Authority would probably need a December meeting to wrap things up. Mr. Rutherford asked what time frame would be needed to connect the remaining number of installations. Mr. Wood commented that it would be late summer or fall when they would have the last ones connected. He noted that the main places they were connecting people were currently in Nelson and Albemarle. Mr. Bruguere asked whether most of the fiber construction was complete. Mr. Wood confirmed that they had very little construction left. He reported that the Salem to Glade Road area had about 100 poles, which was an estimated 7 to 8 miles. He noted that Phoenix Road had about 4 to 5 miles left and about a half mile at Falling Rock and another mile at Walkers Mountain. He commented that there was a little bit of work here and there, and then the splicing, but the construction was mostly complete.

Mr. Wood reported that so far, CVEC had spent \$33 million in fiber in the County. He noted that Firefly had spent another \$8 million in the ApCo areas, bringing the total fiber cost in Nelson to \$41 million. Mr. Bruguere commented that Firefly was ahead of the proposed time schedule. Mr. Wood noted that they had said fiber for CVEC would be completed in 2023 and ApCo would be finished in 2024, but they would be finished up a year early. He also pointed out that it was good that they had moved on the project while interest rates were lower.

Mr. Wood noted on the CVEC side, they communicated directly to customers through Firefly and were wrapping up communications other than to notify people of their last chance to sign up for service. He then explained that they worked with ApCo to provide some combined communications and Firefly did some direct communications to ApCo customers as well. Ms. Melissa Gay noted that they wanted everyone to know about Firefly, and if that was their ISP (Internet Service Provider) of choice, that they had an opportunity to sign up while Firefly was working in the area. She commented that it was very important to get people signed up while they were already working in the area. She noted that it saved re-work and they could get the drop in and get people lined up for installation.

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Mr. Strong noted comments in Stoney Creek. He was not sure if Firefly had been advertising much, because people in Stoney Creek were still on Nelson Cable. He noted that people had commented that Nelson Cable was bad and they were asking when they could make the switch. He thought they could make the switch any time. Ms. Gay confirmed that they could make the switch to Firefly any time. She reported that there had been a concerted effort to market to Wintergreen and Stoney Creek, as well as single family homes around Wintergreen. Mr. Strong noted that people were concerned about not having cable service if they left Nelson Cable. He indicated that he had suggested other streaming options like Hulu or YouTube. He noted that people did not know about the streaming options available to them.

Mr. Wood commented that they were considering sending out a last round of postcards to let people know it was their last chance to sign up without paying the \$100 connection fee, which had been waived since Firefly had started. He noted that they would be putting the connection fee in place once construction wrapped up on the CVEC side, and it would run into the fall for the ApCo areas.

Mr. Strong commented on the excellent service from Firefly since making the switch. He noted that it also allowed his local news stations through Hulu to come from Charlottesville which was also good.

Ms. Gay commented that they now knew there was a digital literacy piece needed to help people understand the programming available to them when they discontinue cable service and switch to fiber. She noted that they were working on digital literacy pieces to help people learn about safety and security online. She commented that there were lots of options for digital literacy for people of all ages. Ms. Gay pointed out that part of their grant was digital literacy education. She reported that they had a partnership with a local health provider to make sure their case workers have information about the ACP (Affordable Connectivity Program) discount that could help clients in Nelson County have internet service. Mr. Wood explained that the Affordable Connectivity Program was a federal program that provided eligible persons \$39.95 per month towards their service. He noted that there was a broad range of people who qualified for the discount, from someone receiving free or reduced lunch, to former military. He reported that they had a little less than 1,000 customers receiving the discount.

Ms. Gay commented on the last chance reminders for free installation, noting that currently, for anyone who signed up for Firefly service received the drop built to their home, all of the equipment and hardware needed and installed, at no cost. She noted that soon CVEC customers would be assessed a \$100 installation fee, but they still would not have to pay any rental fees for the hardware.

Ms. Gay reported that ApCo customers were invited to attend virtual town halls with Firefly to learn more about the process. She noted that they had reached out to folks regarding last chance for free installation, but they wanted to provide one last chance before their crews moved out of the area. Ms. Gay noted they were geo-targeting the service area on social media to market Firefly also. She also noted that the website was updated regularly to reflect progress in each work area, as well as their online map.

Mr. Wood commented that Firefly would like to hold a celebration event at some point once Nelson was completed. He reported that the FCC had just published an updated broadband map for the entire nation. He noted in Virginia there were about 345,000 locations out of 2.5 million total locations, with fiber. He commented that out of that 345,000, Firefly had 40,000 fiber hookups. He noted that Nelson County had 10,000 fiber hookups.

Mr. Wood commented that Nelson, if not the best connected, it was one of the best connected counties in Virginia. He noted that Floyd was close also. He reported that most people had cable and not fiber. Mr. Rutherford asked what the future capacity of the fiber was. Mr. Wood commented that updating the fiber was pretty easy, they just needed to change out equipment in the hut and the home.

Mr. Rutherford suggested encouraging contractors and developers to install conduit for future fiber installation. Mr. Wood noted that they did a direct burial of the fiber, but CVEC's engineering department was working on updating the standards on new applications that would require preparations for future fiber installation.

Mr. Wood noted the cost for line extensions and indicated that CVEC had not been charging for those extensions to the homes.

Mr. Bruguire referred back to their discussion of tv networks and asked if it would be advantageous to have a workshop to show people how to work with the various options. Ms. Gay understood the need to learn about the streaming option available as she also had to learn the process for her own home. She commented that was part of digital literacy. She noted that they wanted to partner with the local libraries and community groups to teach digital literacy and show the various options for streaming.

Mr. Wood noted the need to put a program together. He noted that grant funds had become available to put together learning labs, including building one in an RV to drive around and teach people about streaming options, setting up a Ring doorbell or connect a thermostat to the internet. He noted they could also work with local libraries on program offerings. Mr. Bruguire commented that there were a lot of people who did not understand how it could work, noting that some of it was complicated. Mr. Wood noted that there would still be a small demographic of people who would not make the switch to streaming and referenced his failed attempt to get his 91-year-old father to make the switch to YouTube TV. He commented that 95 percent of the people did want to learn about the streaming services available to them. He also noted that there were some cost savings with streaming package options. Mr. Strong also commented that people with a Verizon landline often did not know that they could opt for phone service with their Firefly service, or if they had a cell phone, utilize Wi-Fi calling.

Mr. Wood noted that with the fiber throughout the County, it would soon be easier for cell phone companies to come in and move up to 5G service. He expressed Firefly's appreciation for the Broadband Authority's support, as well as the County's. Mr. Strong thanked Mr. Wood and Ms. Gay for being present and he noted his interest in the digital literacy piece as well. Ms. Gay commented that they would be learning from other cooperatives with subsidiaries and creating their own way based on the demographics of their customer base.

Mr. Rutherford suggested revisiting the subject of termination of the Authority in December with the idea of termination happening the following June so the money would available for the new fiscal year to be considered by the Board of Supervisors for inclusion in the budget. Mr. Strong was in agreement with Mr. Rutherford's idea.

## **V. NEW/UNFINISHED BUSINESS**

### **A. FY24 Budget Approval**

Ms. Staton introduced the Broadband budget. She reported that they had a balanced budget proposed for FY24. She commented that the budget total for Revenues and Expenditures was \$273,612. She noted it was \$303 less than the previous year's budget. She explained that there was an increase in the Network Operator line due to an amendment to their contract with Wide Open Networks in February. She noted that Wide Open Networks handled customer billing, collections, as well as payment deposits and reporting for broadband. Ms. Staton explained that Wide Open Networks increased their monthly pricing from \$300 per month to \$550 per month. She pointed out that the price had not increased since May of 2020. She noted that most other budget items were pretty much the same as before with a few minor changes. She indicated that insurance increased by less than \$50, and Utilities including locates increased



by \$1,000. She noted that the offset for those increases was a reduction in contingency, rather than increasing the budget.

<b>BROADBAND FUND</b>					
<b>EXPENDITURE SYNOPSIS - INTRODUCED BUDGET</b>					
	FY 22-23		FY 23-24		
<b>Expenditure by Dept.</b>	<b>Proposed Budget</b>	<b>Proposed Budget</b>	<b>Increase/Decrease</b>	<b>% Change</b>	
<b>Network Operations</b>					
Network Operator	\$3,600.00	\$6,600.00	\$3,000.00	83.33%	
Director Fees & Mileage	\$950.00	\$950.00	\$0.00	0.00%	
Repair & Maintenance	\$4,000.00	\$4,000.00	\$0.00	0.00%	
Professional Services	\$1,500.00	\$1,500.00	\$0.00	0.00%	
Advertising	\$0.00	\$0.00	\$0.00	0.00%	
Office Supplies	\$0.00	\$0.00	\$0.00	0.00%	
Insurance	\$2,221.00	\$2,267.00	\$46.00	2.07%	
Utilities including locates	\$4,000.00	\$5,000.00	\$1,000.00	25.00%	
Equipment	\$22,500.00	\$22,500.00	\$0.00	0.00%	
Installations	\$0.00	\$0.00	\$0.00	0.00%	
Service Contracts	\$0.00	\$0.00	\$0.00	0.00%	
Contribution to Industry-CVSI	\$0.00	\$0.00	\$0.00	0.00%	
Permit Fees	\$0.00	\$0.00	\$0.00	0.00%	
Tower Lease	\$10,674.00	\$10,674.00	\$0.00	0.00%	
Contingency	\$224,470.00	\$220,121.00	-\$4,349.00	-1.94%	
<b>Total</b>	<b>\$273,915.00</b>	<b>\$273,612.00</b>	<b>-\$303.00</b>	<b>-0.11%</b>	
<b>REVENUE SYNOPSIS - INTRODUCED BUDGET</b>					
	FY 22-23		FY 23-24		
<b>Revenues</b>	<b>Proposed Budget</b>	<b>Proposed Budget</b>	<b>Increase/Decrease</b>	<b>% Change</b>	
<b>Network Operations</b>					
Transfer from General Fund	\$0.00	\$0.00	\$0.00	0.00%	
Network Access Charges	\$22,051.00	\$23,114.00	\$1,063.00	4.82%	
Fiber Leases	\$4,004.00	\$5,325.00	\$1,321.00	32.99%	
Tower Leases	\$134,222.00	\$131,535.00	-\$2,687.00	-2.00%	
Installation Reimbursement	\$0.00	\$0.00	\$0.00	0.00%	
Year Ending Balance	\$113,638.00	\$113,638.00	\$0.00	0.00%	
<b>Total</b>	<b>\$273,915.00</b>	<b>\$273,612.00</b>	<b>-\$303.00</b>	<b>-0.11%</b>	

Mr. Rutherford moved to approve the FY24 Broadband Authority budget as presented. Mr. Bruguiere seconded the budget. There being no further discussion, Members approved the motion unanimously (4-0) by roll call vote.

B. Treasurer’s Report

Ms. Staton reviewed the following report:

NCBA Treasurer's Report - June 2023

<u>Broadband Operations @ 5/31/2023</u>	
Beginning Balance 1/1/2023	\$ 276,001.19
January - May 2023 Expenditures	\$ (15,893.48)
January - May 2023 Revenues	<u>\$ 89,792.91</u>
<b>Subtotal</b>	<b>\$ 349,900.62</b>
General Fund Transfer 7/1/2021	\$ -
<b>Bank Balance at May 31, 2023</b>	<b>\$ 349,900.62</b>
January - May 2023 Outstanding Checks	<u>\$ -</u>
<b>Available Balance at May 31, 2023</b>	<b>\$ 349,900.62</b>

<u>Accounts Receivable Aging Summary as of June 6, 2023</u>	
Current	\$ -
1-30 days	\$ 3,787.50
31-60 days	\$ -
61-90 days	\$ -
> 90 days	\$ -
<b>Total</b>	<b><u>\$ 3,787.50</u></b>

Revenues & Expenditures

During the second half of FY23, January - May, operational revenues exceeded expenditures by \$ 73,899.43.

Ms. Staton pointed out that in the first six months of July through December, revenues exceeded expenditures by \$51,225.72. She noted that in the five months since then, revenues exceeded expenditures by \$73,899.43. She pointed out that the fiscal year was not yet finished as June had not been accounted for, but it was looking good. She reported that the Account Receivable Aging Summary for Broadband Customers had everyone within 30 days. She noted that the aging summary was at \$3,787.50.

C. County Administrator's Report – Process to Dissolve and Terminate NCBA (**R2023-03**)

Ms. Strong advised Ms. McGarry that at least two members, possibly more, wished to wait until December to discuss termination of the Authority. He suggested that Ms. McGarry could present the details, but the Authority would wait to take action at a later date. Mr. Rutherford noted that they did not want to prematurely dissolve the Authority when there were still quite a few people who did not have fiber yet. He thought keeping the Authority in operation sent a clear message that the Authority was committed to see the project through. Mr. Strong agreed and noted that while there was not a lot that the Authority could do now, they were still between the clients to be served and the service provider, and they should stay there.

Ms. McGarry noted her agreement with the course of action being discussed. She reported that at the last Broadband meeting, staff was asked to gather information on what the termination process would look like. She noted that the Broadband packet included a memo with that background information along with the State Code Authority for dissolution and termination of the Authority (Code of Virginia §15.2-5431.9).

Ms. McGarry reviewed the next steps for dissolution and termination of the Authority. She noted that the Nelson County Broadband Authority (NCBA) would first adopt a resolution declaring and finding that the Authority should be dissolved pursuant to §15.2-5431.9 and file it with the Nelson County Board of Supervisors. She explained that the Nelson County Board of Supervisors would then consider said resolution, and if the Board concurred, it would adopt a resolution of concurrence, finding that the Authority should be dissolved. She then noted that if the Board adopted said resolution dissolving the Authority, the appropriate Articles of Dissolution would be filed with the State Corporation Commission (SCC) by legal counsel. She further noted that distribution of assets and assignment of Authority contracts to the County would be completed and the governing bodies' legal counsel would file articles of termination of corporate existence with the SCC.

Ms. McGarry noted that she had provided the NCBA members with a copy of §15.2-5431.9, along with a draft NCBA Resolution recommending dissolution, a preliminary listing of current NCBA contracts and assets, the lease agreement between the County and NCBA, the Board resolution (R2009-52) from 2009 that established the NCBA Articles of Incorporation (also provided), and the State Corporation Commission NCBA Certificate of Incorporation.

Mr. Rutherford made a motion to table the discussion of **Resolution R2023-03** dissolving and terminating the NCBA until the next regular Broadband meeting. Mr. Saunders seconded the motion. There being no further discussion, Members unanimously approved the motion (4-0) by roll call vote.

Ms. McGarry had no further items to report.

**VI. OTHER BUSINESS (AS MAY BE PRESENTED)**

The Authority had no further business to discuss.

**VII. ADJOURNMENT**

At 1:50 p.m., Mr. Rutherford made a motion to adjourn the meeting and Mr. Saunders seconded the motion. There being no further discussion, members approved the motion by vote of acclamation and the meeting adjourned.

## NCBA Treasurer's Report - December 2023

**Broadband Operations @ 11/30/2023**

Beginning Balance 7/1/2023	\$ 351,029.24
July - November 2023 Expenditures	\$ (7,893.29)
July - November 2023 Revenues	<u>\$ 20,939.40</u>
<b>Subtotal</b>	<b>\$ 364,075.35</b>
General Fund Transfer 7/1/2023	\$ -
<b>Bank Balance at November 30, 2023</b>	<b>\$ 364,075.35</b>
July - November 2023 Outstanding Checks	<u>\$ -</u>
<b>Available Balance at November 30, 2023</b>	<b>\$ 364,075.35</b>

**Accounts Receivable Aging Summary as of November 30, 2023**

Current	\$ -
1-30 days	\$ 3,187.50
31-60 days	\$ -
61-90 days	\$ -
> 90 days	<u>\$ -</u>
<b>Total</b>	<b><u><u>\$ 3,187.50</u></u></b>

**Revenues & Expenditures**

During the first half of FY24, July - November, operational revenues exceeded expenditures by \$ 13,046.11 .

EXPENDITURE SUMMARY

--DETAIL--

7/01/2023 - 11/30/2023

--DETAIL--

FUND #-114 \*\*\*BROADBAND PROJECT\*\*\*

MAJOR ACCT#	DESCRIPTION	BUDGET AMOUNT	APPR. AMOUNT	CURRENT AMOUNT	Y-T-D AMOUNT	ENCUMBRANCE AMOUNT	UNENCUMBERED BALANCE	% REMAIN.
94100	***Broadband Network***							
94200	***Network Operations***							
1011	Remuneration-Broadband Authority	750.00	750.00	.00	.00	.00	750.00	100.00
3002	Professional Services (NetOp)	6,600.00	6,600.00	1,100.00	2,750.00	.00	3,850.00	58.33
3003	Professional Services	1,500.00	1,500.00	.00	.00	.00	1,500.00	100.00
3004	Repair & Maintenance	4,000.00	4,000.00	.00	.00	.00	4,000.00	100.00
3005	Insurance	2,267.00	2,267.00	.00	2,267.00	.00	.00	.00
3006	Utilities Including Locates	5,000.00	5,000.00	792.00	1,969.57	.00	3,030.43	60.60
5501	Travel (Mileage)	200.00	200.00	.00	.00	.00	200.00	100.00
7007	Equipment	22,500.00	22,500.00	.00	.00	.00	22,500.00	100.00
8112	Tower Leases	10,674.00	10,674.00	.00	.00	.00	10,674.00	100.00
	***Network Operations***	53,491.00	53,491.00	1,892.00	6,986.57	.00	46,504.43	86.93
94500	***FIREFLY FIBER EXPANSION 2021***							
94600	***TRANSFERS***							
	***Broadband Network***	53,491.00	53,491.00	1,892.00	6,986.57	.00	46,504.43	86.93
999000	***Contingency***							
9901	Contingency Reserve	220,121.00	220,121.00	.00	.00	.00	220,121.00	100.00
	***Contingency***	220,121.00	220,121.00	.00	.00	.00	220,121.00	100.00
	***Contingency***	220,121.00	220,121.00	.00	.00	.00	220,121.00	100.00
	--FUND TOTAL--	273,612.00	273,612.00	1,892.00	6,986.57	.00	266,625.43	97.44

+ 906.72 - AP checks issued in June, presented to bank for payment in July (June outstanding checks cleared in July)

7,893.29

REVENUE SUMMARY

--DETAIL--

7/01/2023 - 11/30/2023

--DETAIL--

FUND #-114 \*\*\*Revenues-Broadband Network\*\*\*

MAJOR		BUDGET	APPR.	CURRENT	Y-T-D		%
ACCT#	DESCRIPTION	AMOUNT	AMOUNT	AMOUNT	AMOUNT	BALANCE	REMAIN.
999	***Revenues-Broadband Network***						
1502	***Revenue from Use of Property***						
0020	Fiber Leases	5,325.00	5,325.00	.00	.00	5,325.00	100.00
0030	Tower Leases	131,535.00	131,535.00	4,538.45	12,538.45	118,996.55	90.46
	***Revenue from Use of Property***	136,860.00	136,860.00	4,538.45	12,538.45	124,321.55	90.83
1620	***Charges for Services***						
0001	Network Access Charges	3,000.00	3,000.00	500.00	1,250.00	1,750.00	58.33
0100	Other Network Charges	20,114.00	20,114.00	1,537.50	7,150.95	12,963.05	64.44
	***Charges for Services***	23,114.00	23,114.00	2,037.50	8,400.95	14,713.05	63.65
1803	***Charges for Services***						
1899	***Installation Reimbursements***						
	***Revenue from Use of Property***	159,974.00	159,974.00	6,575.95	20,939.40	139,034.60	86.91
3201	***Grants & Transfers***						
4101	***Non-Revenue Receipts***						
4105	***Transfers***						
9999	***Year Ending Balance***						
0001	Year Ending Balance	113,638.00	113,638.00	.00	.00	113,638.00	100.00
	***Year Ending Balance***	113,638.00	113,638.00	.00	.00	113,638.00	100.00
	***Year Ending Balance***	113,638.00	113,638.00	.00	.00	113,638.00	100.00
	--FUND TOTAL--	273,612.00	273,612.00	6,575.95	20,939.40	252,672.60	92.34

FY24!  
 July - Nov  
 Revenue = \$20,939.40  
 Expenditures = \$17,893.29  
 \$13,046.11

2:56 PM  
12/01/23

Nelson County Broadband Authority  
**A/R Aging Summary**  
As of November 30, 2023

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	<u>Current</u>	<u>1 - 30</u>	<u>31 - 60</u>	<u>61 - 90</u>	<u>&gt; 90</u>	<u>TOTAL</u>
River Street/Wilkes Comm	0.00	2,000.00	0.00	0.00	0.00	2,000.00
Segra	0.00	937.50	0.00	0.00	0.00	937.50
Social Services	0.00	250.00	0.00	0.00	0.00	250.00
TOTAL	<u>0.00</u>	<u>3,187.50</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>3,187.50</u>

# BROADBAND FUND

12/7/2023

BROADBAND FUND				
EXPENDITURE SYNOPSIS - Adopted 6/13/23				
	FY 22-23	FY 23-24		
Expenditure by Dept.	Proposed Budget	Proposed Budget	Increase/Decrease	% Change
<b>Network Operations</b>				
Network Operator	\$3,600.00	\$6,600.00	\$3,000.00	83.33%
Director Fees & Mileage	\$950.00	\$950.00	\$0.00	0.00%
Repair & Maintenance	\$4,000.00	\$4,000.00	\$0.00	0.00%
Professional Services	\$1,500.00	\$1,500.00	\$0.00	0.00%
Advertising	\$0.00	\$0.00	\$0.00	0.00%
Office Supplies	\$0.00	\$0.00	\$0.00	0.00%
Insurance	\$2,221.00	\$2,267.00	\$46.00	2.07%
Utilities including locates	\$4,000.00	\$5,000.00	\$1,000.00	25.00%
Equipment	\$22,500.00	\$22,500.00	\$0.00	0.00%
Installations	\$0.00	\$0.00	\$0.00	0.00%
Service Contracts	\$0.00	\$0.00	\$0.00	0.00%
Contribution to Industry-CVSI	\$0.00	\$0.00	\$0.00	0.00%
Permit Fees	\$0.00	\$0.00	\$0.00	0.00%
Tower Lease	\$10,674.00	\$10,674.00	\$0.00	0.00%
Contingency	\$224,470.00	\$220,121.00	-\$4,349.00	-1.94%
<b>Total</b>	<b>\$273,915.00</b>	<b>\$273,612.00</b>	<b>-\$303.00</b>	<b>-0.11%</b>
<b>REVENUE SYNOPSIS - Adopted 6/13/23</b>				
	FY 22-23	FY 23-24		
Revenues	Proposed Budget	Proposed Budget	Increase/Decrease	% Change
<b>Network Operations</b>				
Transfer from General Fund	\$0.00	\$0.00	\$0.00	0.00%
Network Access Charges	\$22,051.00	\$23,114.00	\$1,063.00	4.82%
Fiber Leases	\$4,004.00	\$5,325.00	\$1,321.00	32.99%
Tower Leases	\$134,222.00	\$131,535.00	-\$2,687.00	-2.00%
Installation Reimbursement	\$0.00	\$0.00	\$0.00	0.00%
Year Ending Balance	\$113,638.00	\$113,638.00	\$0.00	0.00%
<b>Total</b>	<b>\$273,915.00</b>	<b>\$273,612.00</b>	<b>-\$303.00</b>	<b>-0.11%</b>



FUND # -114 \*\*\*Revenues-Broadband Networ

	FY/2020	FY/2021	FY/2022	ADOPTED	AMENDED	2023/06	DEPT	ADMIN	ADOPTED	
	REVENUE	REVENUE	REVENUE	FY/2023	FY/2023	ACTUAL	FY/2024	FY/2024	FY/2024	
				BUDGET	BUDGET		REQUEST	RECOMMENDS	BUDGET	
000999	***Revenues-Broadband Networ									
001502	***Revenue from Use of Prope									
001502-0020	Fiber Leases	57,821-	7,660-	1,001-	4,004-	4,004-	9,202-	5,325-	5,325-	5,325-
001502-0030	Tower Leases	185,191-	126,222-	126,797-	134,222-	134,222-	133,799-	131,535-	131,535-	131,535-
001502-0033	Interest Revenue									
001502-0040	Rents/Rental of Real Propert									
	--TOTAL DEPARTMENT--	243,012-	133,882-	127,798-	138,226-	138,226-	143,001-	136,860-	136,860-	136,860-
001620	***Charges for Services***									
001620-0001	Network Access Charges	207,951-	4,537-	6,840-	3,601-	3,601-	3,000-	3,000-	3,000-	3,000-
001620-0100	Other Network Charges	27,793-	21,837-	20,352-	18,450-	18,450-	13,252-	20,114-	20,114-	20,114-
001620-0110	Lump Sum Credit-Acct Reconci									
001620-0999	Pending Allocation to Rev. S									
	--TOTAL DEPARTMENT--	235,744-	26,374-	27,192-	22,051-	22,051-	16,252-	23,114-	23,114-	23,114-
001803-0001	Expenditure Refunds									
001899	***Installation Reimbursemen									
001899-0001	Miscellaneous Revenue			2,100-						
001899-0110	Installation Upfront Payment									
001899-0115	Installation Amortized Payme	131,145-	71,655-							
	--TOTAL DEPARTMENT--	131,145-	71,655-	2,100-						
	***Revenue from Use of Prop	609,901-	231,911-	157,090-	160,277-	160,277-	159,253-	159,974-	159,974-	159,974-
003201	***Grants & Transfers***									
003201-0006	CDBG									
003201-0007	NTIA (ARRA)									
004101	***Non-Revenue Receipts***									
004101-0005	Canceled Checks									
004105	***Transfers***									
004105-0100	Transfer from General Fund									
004105-0110	Transfer from Capital Fund									
004105-0503	Transfer from CDBG Fund									
009999	***Year Ending Balance***									
009999-0001	Year Ending Balance				113,638-	113,638-	113,638-	113,638-	113,638-	113,638-
	--TOTAL DEPARTMENT--				113,638-	113,638-		113,638-	113,638-	113,638-
	***Year Ending Balance***				113,638-	113,638-		113,638-	113,638-	113,638-
	-TOTAL FOR FUND	609,901-	231,911-	157,090-	273,915-	273,915-	159,253-	273,612-	273,612-	273,612-
	- FINAL TOTAL	609,901-	231,911-	157,090-	273,915-	273,915-	159,253-	273,612-	273,612-	273,612-

FUND #-114 \*\*\*Broadband Network\*\*\*

	FY/2020	FY/2021	FY/2022	ADOPTED	AMENDED	2023/06	DEPT	ADMIN	ADOPTED
	EXPENSE	EXPENSE	EXPENSE	FY/2023	FY/2023	ACTUAL	FY/2024	FY/2024	FY/2024
				BUDGET	BUDGET		REQUEST	RECOMMENDS	BUDGET
094100	***Broadband Network***								
094100-3002	Administrative & Legal Servi								
094100-3140	Engineering								
094100-3160	Construction								
094100-3170	Project Inspection Fees								
094100-8203	Equipment								
094100-8204	Misc. Supplies								
094100-8212	Land, Rights-of-way, Leases,								
094100-9999	Contingency								
094200	***Network Operations***								
094200-1011	1,875	2,100	912	750	750	825	750	750	750
094200-3002	42,841	3,600	3,600	3,600	3,600	4,600	6,600	6,600	6,600
094200-3003	5,125	963		1,500	1,500		1,500	1,500	1,500
094200-3004	5,204			4,000	4,000	1,014	4,000	4,000	4,000
094200-3005	2,289	2,129	4,440	2,221	2,221		2,267	2,267	2,267
094200-3006	37,421	4,340	4,393	4,000	4,000	4,576	5,000	5,000	5,000
094200-3007	Advertising								
094200-3008	Installation Expense (Misc.)								
094200-3009	Installation Expense (Discou								
094200-3010	11,877	6,206							
094200-3011	Installation Expense (Amorti								
094200-3012	449								
094200-3013	Contribution to Industry								
094200-3170	Permit Fees								
094200-5401	144								
094200-5501	135	267	85	200	200	129	200	200	200
094200-7007	23,001	1,107		22,500	22,500	12,013	22,500	22,500	22,500
094200-8010	Depreciation Expense								
094200-8112	9,530	9,530	10,674	10,674	10,674	10,674	10,674	10,674	10,674
094200-8500	Network Strategic Plan								
094200-8900	Amortization Expense								
094200-9201		17,063							
094200-9999	Forgiven NCBA Connection Fee								
--TOTAL DEPARTMENT--	139,891	47,305	1,274,104	49,445	49,445	33,831	53,491	53,491	53,491
094500	***FIREFLY FIBER EXPANSION 2								
094500-3140	Design Drawings								
094500-3160	Construction								
094500-3170	Permit Fees & Misc.								
094500-8203	Materials								
094600	***TRANSFERS***								
094600-9101	Transfer to General Fund								
	***Broadband Network***								
	139,891	47,305	1,274,104	49,445	49,445	33,831	53,491	53,491	53,491
999000	***Contingency***								
999000-9901	Contingency Reserve								
				224,470	224,470		220,121	220,121	220,121
--TOTAL DEPARTMENT--				224,470	224,470		220,121	220,121	220,121
	***Contingency***								
				224,470	224,470		220,121	220,121	220,121

-TOTAL FOR FUND	<u>139,891</u>	<u>47,305</u>	<u>1,274,104</u>	<u>273,915</u>	<u>273,915</u>	<u>33,831</u>	<u>273,612</u>	<u>273,612</u>	<u>273,612</u>
- FINAL TOTAL	<u>139,891</u>	<u>47,305</u>	<u>1,274,104</u>	<u>273,915</u>	<u>273,915</u>	<u>33,831</u>	<u>273,612</u>	<u>273,612</u>	<u>273,612</u>

**NELSON COUNTY BROADBAND AUTHORITY**

P.O. Box 336 • Lovingsston, VA 22949-434-263-7000 • Fax 434-263-7004

MEMBERS

Thomas H. Bruguire, Jr.  
Jesse N. Rutherford  
Thomas D. Harvey  
Larry D. Saunders  
Gary W. Strong

OFFICERS

Amanda B. Spivey, Secretary  
Linda K. Staton, Treasurer

**Nelson County Broadband Authority June 13, 2023**  
**Memo**

**RE: Agenda Item V C: Dissolution and Termination of the Authority**

**Background:** At the last regular meeting of the Authority, members asked staff to report back at the next meeting on steps required in dissolving/terminating the Nelson County Broadband Authority. This discussion and directive evolved from the Authority's recognition that nearly 100% of County residents and businesses would have access to high speed fiber internet in the immediate future. The Authority members suggested that once the CVSI/Firefly Internet Broadband fiber network build out was complete, providing universal fiber network coverage and access within the County; so was the mission and purpose of the Broadband Authority.

**State Code Authority:** Code of Virginia §15.2-5431.9 Dissolution and termination of Authority

**Next Steps:**

1. NCBA adopts a resolution declaring and finding that the authority should be dissolved pursuant to §15.2-5431.9 and files it with the Nelson County Board of Supervisors.
2. The Nelson County Board of Supervisors considers said resolution and if concurs, adopts a resolution of concurrence, finding that the Authority should be dissolved.
3. If the Board of Supervisors adopts said resolution dissolving the Authority, the appropriate Articles of Dissolution are filed with the State Corporation Commission (SCC) by legal counsel.
4. Distribution of assets and assignment of Authority contracts to the County are completed and the governing bodies' legal counsel files articles of termination of corporate existence with the SCC.

**NCBA Consideration:** Status of the mission and purpose of the Authority and consideration of draft resolution **R2023-03**, Dissolution and Termination of the Nelson County Broadband Authority.

Attachments: State Code Section 15.2-5431.9  
Draft NCBA Resolution R2023-03  
Preliminary Listing of Current NCBA Contracts and Assets  
Lease Agreement Between County and NCBA  
BOS Resolution R2009-52 and Attached NCBA Articles of Incorporation  
State Corporation Commission NCBA Certificate of Incorporation

## § 15.2-5431.9. Dissolution and termination of authority

A. Whenever the board of an authority determines that the purposes for which it was created have been completed or are impractical or impossible and that all its obligations have been paid or have been assumed by one or more of such political subdivisions or any authority created thereby or that cash or United States government securities have been deposited for their payment, it shall adopt and file with the governing body a resolution declaring such facts. If the governing body adopts a resolution concurring in such declaration and finding that the authority should be dissolved, it shall file appropriate articles of dissolution with the State Corporation Commission. When the affairs of the authority have been wound up and all of its assets have been distributed, the governing bodies shall file appropriate articles of termination of corporate existence with the State Corporation Commission.

B. If any of the governing bodies refuses to adopt a resolution concurring in such declaration, then the authority may petition the circuit court for any locality that is a member of the authority to order one or more of such governing bodies to create a new authority. The circuit court may order the governing body of the political subdivision requesting dissolution of the existing authority to adopt an ordinance establishing a new authority to which the provisions of §§ [15.2-5431.3](#) through [15.2-5431.6](#) shall not apply. Thereafter, the court may order that the assets be divided among the authorities and, subject to the approval of any debt holder, require the assumption of a proportionate share of the obligations of the existing authority by the new authority.

C. Notwithstanding the provisions of subdivision 1 of § [15.2-5431.11](#), an authority shall continue in existence and shall not be dissolved because the term for which it was created, including any extensions thereof, has expired, unless all of such authority's functions have been taken over and its obligations have been paid or have been assumed by one or more political subdivisions or by an authority created thereby, or cash or United States government securities have been deposited for their payment.

2003, c. [643](#);2021, Sp. Sess. I, c. [487](#).

The chapters of the acts of assembly referenced in the historical citation at the end of this section(s) may not constitute a comprehensive list of such chapters and may exclude chapters whose provisions have expired.

# NELSON COUNTY BROADBAND AUTHORITY

P.O. Box 336 • Lovingson, VA 22949-434-263-7000 • Fax 434-263-7004

## MEMBERS

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Gary W. Strong

## OFFICERS

Amanda B. Spivey, Secretary  
Linda K. Staton, Treasurer

## **DEFERRED**

### **RESOLUTION-R2023-03**

#### **NELSON COUNTY BROADBAND AUTHORITY**

#### **RESOLUTION DECLARING THE PURPOSE OF THE NELSON COUNTY BROADBAND AUTHORITY COMPLETE AND RECOMMENDING DISSOLUTION AND TERMINATION OF THE AUTHORITY**

**WHEREAS**, on June 9, 2009, via Resolution **R2009-52**, the Nelson County Board of Supervisors adopted Articles of Incorporation of the Nelson County Broadband Authority (NCBA) which were filed with and certified by the State Corporation Commission (SCC) establishing the NCBA effective July 29, 2009; and

**WHEREAS**, the NCBA was established for economic development purposes to provide high speed data service and internet access service to local businesses, local government, and the public; and

**WHEREAS**, the NCBA, in partnership with the Board of Supervisors and Central Virginia Services, Inc./ dba Firefly Internet Broadband, has facilitated the build-out of a high speed fiber internet network that provides access to high speed fiber internet for nearly 100% of the County's businesses and residents; and

**WHEREAS**, pursuant to the Code of Virginia, §15.2-5431.9, the Nelson County Broadband Authority has determined that the purposes for which it was created have been completed and all of its obligations can easily and readily be assumed by the County of Nelson;

**NOW THEREFORE BE IT RESOLVED**, the Nelson County Broadband Authority, hereby directs that this resolution be filed with the Nelson County Board of Supervisors and requests the Board's consideration of the adoption of a concurring resolution and subsequent filing of Articles of Dissolution with the State Corporation Commission and finally, upon conclusion of the Authority's affairs, filing of Articles of Termination of corporate existence with the SCC.

Adopted: \_\_\_\_\_, 2023

Attest: \_\_\_\_\_, Secretary  
Nelson County Broadband Authority

# Nelson County Broadband Authority Preliminary Contract and Asset List

June 1, 2023

---

## **Revenue Contracts**

1. AT&T Tower Lease
2. AT&T Tower Lease
3. Verizon Tower Lease
4. RiverStreet Networks Tower Lease
5. Mid-Atlantic Broadband Communities Corporation Fiber Lease
6. Mid-Atlantic Broadband Communities Corporation Colocation Lease
7. Segra Colocation Lease
8. Nelson County Department of Social Services Network Access Lease

## **Expenditure Contracts**

1. WideOpen Networks Professional Services Contract (Billing)
2. Rockfish Valley Volunteer Fire Department Tower Site Lease
3. VACorp Insurance Coverage

## **County-Owned Assets Leased to NCBA (Agreement Dated October 30, 2012)**

1. Martin's Store tower site: 140 ft. monopole tower, site fencing, Trango antenna, paved tower access road.
2. Rockfish Valley Volunteer Fire Department tower site: 140 ft. monopole tower and site fencing.
3. Massies Mill tower site: 110 ft. monopole tower and Trango antenna.
4. Courthouse tower site: Courthouse tower, fencing, shelter, and equipment.

## **Other NCBA Assets**

1. Operating Bank Account

## LEASE AGREEMENT

THIS LEASE AGREEMENT made this 30th day of October, 2012, by and between the County of Nelson, Virginia, (the "County"), and the Nelson County Broadband Authority (the "NCBA"),

### WITNESSETH:

WHEREAS, the County is constructing a telecommunication fiber optic and wireless backbone network in Nelson County which includes underground fiber optic cable, communication towers, rights of way, and supporting equipment (the "Network");

WHEREAS, pursuant to the Code of Virginia, the Nelson County Board of Supervisors has established the Nelson County Broadband Authority to provide communications services and to operate and maintain the Network;

WHEREAS, the NCBA has entered certain agreements and leases to further its stated purpose in connection with the Network; and,

WHEREAS, the County now wishes to lease the Network to NCBA to fulfill the purposes for which both the NCBA and the Network were created.

NOW THEREFORE, in consideration of the mutual covenants contained herein, the County and NCBA hereby agree as follows:

1. Network Assets. The County's Network is comprised of the underground fiber optic cable system and related infrastructure including vaults, conduit, splice enclosures, and optical network terminals, communication towers constructed or to be constructed at Martin's Store, the Rockfish Valley Fire Department, Massies Mill, and the courthouse in Lovingston necessary to connect and operate various components of the telecommunications system (collectively, the "Network Assets").

2. Lease of Assets. Subject to the reservation below, County hereby leases to NCBA, and NCBA hereby leases from the County the Network and Network Assets together with rights of way and easements on, over, under, across, and through any County property for ingress and egress to Network Assets by motor vehicle or on foot and additional easements for the installation of wires, cables, and electrical support equipment, including but not limited to access from the nearest source of telephone and electric utilities, necessary for the installation and operation of NCBA's telecommunications equipment and those of NCBA's tenants, licensees, and permittees located upon or utilizing the Network Assets. The County reserves for



its use space on the communication towers and in the Network necessary or appropriate for governmental and public safety communications facilities.

3. Term. This Agreement is effective October 25, 2012, (the "Commencement Date"), shall continue for a period of ten (10) years (the "Initial Term") unless renewed or earlier terminated in accordance with provisions of this Agreement, and shall renew automatically for four (4) additional ten (10) year terms (individually, a "Renewal Term"), each of which shall begin on the anniversary of the Commencement Date. All terms, covenants and conditions of this Agreement shall remain in full force and effect during all Renewal Terms.

4. Consideration. NCBA shall pay as rental to the County One Dollar annually.

5. Termination. Either party, upon sixty (60) days' written notice to the other, may terminate this Agreement.

6. Maintenance. NCBA shall perform all repairs necessary to keep the Network Assets in good condition, with reasonable wear and tear damage from the elements excepted.

7. Title and Quiet Possession. County represents and warrants a) that it is the owner of the Network Assets; b) that it has the right to enter into this Agreement; c) that the person signing this Agreement has the authority to sign; d) that NCBA is entitled to access to the Network Assets at all times as provided herein and to the quiet possession of the Network Assets throughout the Initial Term and each Renewal Term so long as NCBA is not in default of any term of this Lease beyond expiration of a reasonable cure period. NCBA represents and warrants that it has the right to enter into this Agreement and that the person signing this Agreement has the authority to sign on behalf of the Nelson County Broadband Authority.

8. Federal Interest. Notwithstanding anything to the contrary herein, this Agreement is made subject and subordinate to the following Federal Interest. The County submitted an application to the National Telecommunications and Information Administration, U.S. Department of Commerce ("NTIA") for financial assistance under the Broadband Technology Opportunities Program pursuant to the American Recovery and Reinvestment Act of 2009, Pub. L. No. 111-5, 123 Stat. 115 (Feb. 17, 2009). By Offer of Award, dated March 26, 2010, NTIA offered to the County a financial assistance award designated as Award No. NT10BIX5570049 (the "Award") to assist in financing the Nelson County Virginia Broadband Project. The County or the Nelson County Broadband Authority, as the case may be, holds all real and personal property of the Network, whether tangible or intangible, acquired or improved in whole or in part with Award funds, in trust for the public purpose of the Award. This trust relationship exists throughout the estimated useful life, as determined by NTIA, of such property, during which time NTIA retains an 80% undivided equitable reversionary interest in such property together with a first unsubordinated position under any other lien or security interest now existing or hereafter created or recorded.

9. Amendment. This Agreement may not be modified or amended unless the amendment is made in writing and is signed by both parties.

10. Assignment. NCBA's obligations under this Agreement may neither be assigned nor transferred to any other person, firm, or corporation without the prior written consent of the County. Notwithstanding the foregoing, NCBA may enter into any lease, license, contract, or other agreement with telecommunication service providers common or necessary in the usual course of business for the telecommunications industry.

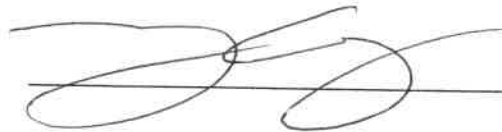
11. Successors. This Agreement and the terms and conditions contained herein shall inure to the benefit of and be binding upon County and NCBA and each of their successors and permitted assigns. NCBA shall be permitted to record this Agreement or a Memorandum of Lease which the County agrees to execute and acknowledge.

12. Governing Law, Venue. This Agreement shall be governed by the laws of the Commonwealth of Virginia, without regard for conflict of laws. The sole venue for any proceeding between the parties regarding this agreement shall lie in the circuit court of Nelson County.

IN WITNESS WHEREOF, the parties have executed, or have caused their properly authorized representatives to duly execute, this Lease on the date and year first written above.

County of Nelson

By:

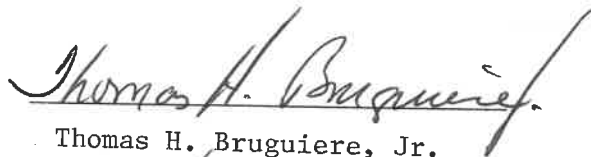


Thomas D. Harvey

Its Chair

Nelson County Broadband Authority

By:



Thomas H. Bruguiera, Jr.

Its Chair



BOARD OF  
SUPERVISORS

THOMAS D. HARVEY  
North District

JOE DAN JOHNSON  
South District

ALLEN M. HALE  
East District

THOMAS H. BRUGUIERE, JR.  
West District

CONSTANCE BRENNAN  
Central District

STEPHEN A. CARTER  
Administrator

CANDICE W. McGARRY  
Administrative Assistant/  
Deputy Clerk

DEBRA K. McCANN  
Director of Finance and  
Human Resources

**RESOLUTION-R2009-52**  
**NELSON COUNTY BOARD OF SUPERVISORS**  
**RESOLUTION ADOPTING ARTICLES OF INCORPORATION OF**  
**NELSON COUNTY BROADBAND AUTHORITY**

**WHEREAS**, for economic development purposes, the Nelson County Board of Supervisors has duly created the Nelson County Broadband Authority to provide high speed data service and internet access service to local businesses, local government, and the public; and

**WHEREAS**, pursuant to the Virginia Wireless Service Authorities Act, Chapter 54.1 § 15.2-5431 et seq., §13.1-804 and §13.1-819 of the Code of Virginia 1950 as amended, the Articles of Incorporation of said Authority are required to be filed with the State Corporation Commission for certification,

**NOW THEREFORE BE IT RESOLVED**, that pursuant to the Virginia Wireless Service Authorities Act, Chapter 54.1, §15.2-5431 et seq., §13.1-804 and §13.1-819 of the Code of Virginia 1950 as amended, the Nelson County Board of Supervisors does hereby adopt the Articles of Incorporation of the Nelson County Broadband Authority, in their entirety as attached hereto, and authorizes their submission for filing with the Virginia State Corporation Commission for certification.

Adopted: June 9, 2009

Attest: Stephen A. Carter Clerk,  
Nelson County Board of Supervisors

**ARTICLES OF INCORPORATION  
OF THE  
NELSON COUNTY BROADBAND AUTHORITY  
A VIRGINIA NONSTOCK CORPORATION**

Pursuant to the Virginia Wireless Service Authorities Act, Chapter 54.1 §§15.2-5431.1 and §15.2-5431.23 of the Code of Virginia 1950 as amended, the Nelson County Board of Supervisors hereby establishes and adopts these Articles of Incorporation of the Nelson County Broadband Authority, (hereinafter the "Authority"):

1. The name of the Authority is "Nelson County Broadband Authority" and its principal office is located at the Office of the County Administrator: 84 Courthouse Square, P.O. Box 336, Lovingston VA 22949.
2. The initial members of the Authority Board shall be the members of the Board of Supervisors, whose terms of office shall be concurrent. The terms of office of the initial members will begin on the date the Certificate of Incorporation or Charter is issued by the State Corporation Commission and will continue for one (1) year.

Henceforth, The Authority shall be comprised of five (5) members appointed by the Board of Supervisors and there shall be one (1) appointee from each election district. Each succeeding member appointed by the Board of Supervisors, shall serve from July 1 until four (4) years hence on June 30 when their term shall expire. Any person appointed to fill a vacancy shall serve the unexpired term of the member being replaced. Board members shall continue to sit beyond the expiration of their term until such time as their successor may be appointed; however, the successor's term shall not be extended by such delay.

3. The names and addresses of the Authority Board are as follows:

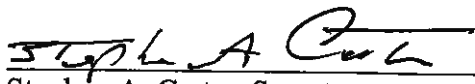
<u>Name</u>	<u>Address</u>
1. Allen M. Hale	3130 Laurel Rd. Shipman, VA 22971
2. Constance Brennan	524 Buck Creek Lane, Faber VA 22938
3. Thomas D. Harvey	10921 Rockfish Valley Hwy, Afton VA 22920
4. Thomas H. Bruguire, Jr.	187 Jack's Hill Rd., Roseland, VA 22967
5. Joe Dan Johnson	91 Rainbow Drive, Arrington, VA 22922

4. The purpose of the Authority is to exercise all powers conferred by the Virginia Wireless Service Authorities Act, Chapter 54.1 §§15.2-5431.1 and §15.2-5431.23 of the Code of Virginia 1950 as amended, in order to provide qualifying communications services as authorized by Article 5.1 (§ 56-484.7:1 et seq.) of Chapter 15 of Title 56.

5. The Authority's initial registered agent is:  
Phillip D. Payne, IV, a resident of Virginia and a member of the Virginia State Bar.

and the registered office is:  
Nelson County Courthouse  
Post Office Box 447  
84 Courthouse Square  
Lovingsston, Nelson County  
Virginia, 22949

Nelson County Broadband Authority:

By:   
Stephen A. Carter, Secretary

# Commonwealth of Virginia



## STATE CORPORATION COMMISSION

*Richmond, July 29, 2009*

*This is to certify that the certificate of incorporation of*

**Nelson County Broadband Authority**

*was this day issued and admitted to record in this office and that the said corporation is authorized to transact its business subject to all Virginia laws applicable to the corporation and its business. Effective date: July 29, 2009*



*State Corporation Commission*

*Attest:*

*Joel H. Peck*  
Clerk of the Commission