

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
MAY 14, 2024
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 – **R2024-01** Minutes for Approval
- IV. New/Unfinished Business**
 - A. Treasurer’s Report
 - B. Firefly Fiber Broadband Progress Update
 - C. Dissolution & Termination of NCBA (R2024-02)
- V. Other Business (As May Be Presented)**
- VI. Adjournment**

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RESOLUTION R2024-01
NELSON COUNTY BROADBAND AUTHORITY
APPROVAL OF MEETING MINUTES
(December 12, 2023 and January 9, 2024)

RESOLVED, by the Nelson County Broadband Authority that the minutes of said Authority meeting conducted on **December 12, 2023 and January 9, 2024** be and hereby are approved and authorized for entry into the official record of the Broadband Authority meetings.

Approved: May 14, 2024

Attest: _____, Secretary
Nelson County Broadband Authority

December 12, 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 D. Harvey – North District
Thomas H. Bruguere, Jr. – West District
Candice W. McGarry, County Administrator
Amanda B. Spivey, Secretary
Linda K. Staton, Director of Finance and Human Resources, Treasurer

I. Call to Order

Mr. Strong called the meeting to order at 1:00 p.m. with five (5) Members present to establish a quorum.

II. Public Comments

Mark Garwood – Afton, VA

Mr. Garwood stated that he resided on Garwood Lane in Afton, noting that he was in that small sliver in the northern part of the County served by Dominion Power. He noted that he had come to the meeting to get more information on where things stand for Firefly service and where things are in the timeline. He indicated that he had a good situation with Beam, which was a wireless internet service from Shentel. He noted that Shentel had a wireless tower off the Blue Ridge Parkway and they were using some of T-Mobile's equipment. He then noted that in December of last year, they were informed that T-Mobile ended the lease and took the equipment back over. Mr. Garwood explained that he worked from home for Crutchfield in Charlottesville. He noted that he was using his phone as a hotspot for internet, and while it was adequate, it was not ideal. He commented that he was hoping to hear more from Firefly's updates. He reported that he had received a post card from Dominion saying that the service was coming.

III. Consent Agenda

A. Resolution – R2023-04 Minutes for Approval

Mr. Rutherford made a motion to approve **Resolution R2023-04** and Mr. Saunders seconded the motion. There being no further discussion, Members approved the motion unanimously (5-0) by roll call vote and the following resolution was adopted:

**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.

IV. Presentation

A. Firefly Fiber Broadband Progress Update

Gary Wood and Galen Creekmore of CVEC and Firefly were present. Mr. Wood noted that they would be providing an update on Firefly. He reviewed a map of Nelson County and indicated that the blue areas were in service. He noted that they were still making some final connections in the blue areas, but all construction was complete. He noted that the green areas had splicing to finish. He pointed out the areas for splicing from Hunting Lodge Road to Salem Road, and the Falling Rock area below Arrington. He reported that Johnson Hollow somehow was left out of ApCo's make ready construction, and it was re-identified and shown in yellow on the map and was currently under make ready construction. Mr. Wood then pointed out the areas in pink, Afton and Love.



Mr. Wood noted that the Afton area was served by Dominion. He explained that Firefly would be using the Dominion Middle Mile Program, which meant that Dominion would build fiber on their mainline and lease to Firefly. He noted that Firefly would build off of the mainline to provide service to the homes. He reported that Dominion had completed the field work, which was the first step in starting the design. He commented that he thought they were currently in the design phase and had not started construction. Mr. Wood reported that Dominion did include it in their October 2023 filing with the State Corporation Commission (SCC). He explained that Dominion’s program was a little different, noting that they had to obtain approval for the everything that is built before they could lease it to Firefly. He noted that the SCC had 6 months after a filing to make a decision. Mr. Wood anticipate that it would be the second half of 2024. He noted that he did not have a date yet because Dominion has not provided a date yet. He assured that Firefly would be coming soon.

Mr. Wood reported that the small piece in Love was on Shenandoah Valley Electric Cooperative (SVEC) service. He explained that Firefly would not be using SVEC poles for fiber. He reported that they would be building underground off of the CVEC system.

Mr. Wood showed the projected timelines from Firefly’s website, noting that all were in in service except Phoenix and Salem. He indicated that they were working to get folks connect by the end of fall or shortly thereafter.

Projected Timelines

SERVICE CONNECTIONS IN EACH PROJECT AREA ARE ANTICIPATED TO BEGIN WITHIN THE NOTED PERIOD AND INTO THE FOLLOWING PERIOD UNTIL ALL WHO PRE-REGISTERED FOR SERVICE ARE CONNECTED.
(I.E. FIRST CONNECTIONS ARE MADE IN THE FALL AND WILL CARRY ON INTO THE WINTER UNTIL CONNECTIONS ARE COMPLETE)



Partner/Area	Connection Status
CVEC PROJECTS	
Colleen	In-Service
Gladstone	In-Service
Martin's Store	In-Service
Midway	In-Service
Piney River	In-Service
Schuyler	In-Service
Wintergreen/Laurel Springs	In-Service
CARES PROJECTS	
Nelson CARES	In-Service

Partner/Area	Connection Status
RISE - Appalachian Power	
Nelson County	
Arrington - SE of RR	In-Service
Buffalo Mines/Harewood	In-Service
Findlay Mountain/Williamstown/Cedar Creek	In-Service
Lovington	In-Service
Massies Mill to Pharsalia	In-Service
Rockfish to Schuyler	In-Service
Roseland Area	In-Service
Shipman to Hunting Lodge Road	In-Service
Taylor Creek Road	In-Service
Temperance	Connecting Now
Phoenix	Fall 2023
Salem Road to Glade Road	Fall 2023
RISE: Dominion Electric	
Dominion Electric Areas	
RISE (Afton)	TBD



Mr. Wood reported that there were still a few small areas they were finishing up splicing, that were so small, they did not fit on the map. He indicated that there were a few homes at Route 56 and Route 151 in Piney River, and Walkers Mountain subdivision where the back half was served by ApCo. He explained that they had to cross the tracks into Walkers Mountain and that was currently being spliced. Mr. Saunders asked if that included Phoenix Road. Mr. Wood noted that Phoenix Road was separate. He reported that they had finished construction on Phoenix Road and done part of the splicing. Mr. Saunders reported that he had gotten a few calls from folks in that area. Mr. Wood indicated that they should be doing service drops in that area in the next few weeks. He noted that in the next few weeks they would not have full crews working due to the holidays, but after the first of the year, they would be back to full crews.

Mr. Wood reported that there were 10,200 potential locations for broadband in Nelson County, according to the FCC Broadband Map. He noted they had service provided to a very high percentage of those locations. He reported that they had invested an estimated \$40 million since the start of the project and had put up about 4,200,000 feet of fiber. He pointed out that if the fiber were in a straight line, it would go from Lovingson to Miami. Mr. Wood noted that Firefly serviced 6,300 active locations in Nelson, with about 150 remaining pre-registered for service. He noted the 150 pre-registered did not include the people in Afton or Love.

Mr. Strong asked if they were still having issues with 811. Mr. Wood noted that had gotten much better. Mr. Wood commented that they had also had issues with the railroad crossings, but he indicated that had also improved. He reported that they had 14 railroad crossings completed in the last five (5) weeks, compared to zero the year before. He noted that the completed crossings included Walker's Mountain.

Mr. Bruguere commented that there were basically 4,000 people who potentially did not have internet. Mr. Wood noted that those were people who had not chosen to take Firefly internet service. He noted that they did not have all 10,200 locations. He noted if they subtracted out the 200 in Afton and the 30 or so in Love, there were about 9,900 locations, so Firefly was at about 6,450. He commented that the others may have another provider and did not want to switch to Firefly. Mr. Wood noted that some people had cable internet service and did not want to make the switch, particularly in the Wintergreen area. He also indicated that some people worked off of cell service. He noted that there were some seasonal locations like hunting cabins that were included in the location count, that were not used enough to take service. Mr. Wood noted that they hooked up everyone who wanted service. He reported that Firefly was seeing a 65 to 70 percent connection rate in areas where service was available. Mr. Rutherford noted that some people would opt to not use Firefly, or they may choose to use other options for internet. He commented that there had been leaps and bounds made over the last four (4) years.

Mr. Wood showed information from the FCC website which reported that Nelson County had 97.18 percent broadband coverage as of June 30, 2023. He noted that there was still a little more work to be done, but 97 percent of Nelson County had access to gigabit level internet. For comparison, he reported that Loudon County had 1 percent availability of gigabit speed. He noted that Loudon did not have fiber, but they had a lot of cable. Mr. Strong indicated that he used to live in Loudon, noting that they did have fiber, but not much of it. Mr. Wood noted that Loudon did not sell retail internet service off of fiber. He commented that there was fiber all over, in the middle of the data centers and internet. Mr. Wood indicated that for retail service, if Nelson County was not the highest level in Virginia, there might be one other county, Scott County. He explained that Scott County in southwest Virginia had a telephone co-op that had been doing fiber for a while. He noted that Fluvanna County was at about 94 percent and Firefly covered them pretty well also. He commented that no other counties in the state had the level of coverage that Nelson had, except for maybe Scott County. He noted that Nelson went from not having much internet available, to being the County with the most gigabit internet available. He reiterated that they still had some areas left.

Mr. Rutherford mentioned cell towers and Firefly providing data for them. Mr. Wood noted that Firefly provided connections to cell towers that contacted them. He explained that cell towers were unique because a lot of them had statewide contracts with companies like Segra. He noted that Segra did not have fiber everywhere, so Segra would come to a local provider like Firefly, and under the contract, they would provide the fiber connections as a subcontractor. Mr. Wood noted they did that for the cell towers at Howardsville and Ball Mountain.

Mr. Strong asked about the connection to cell towers that may come through Firefly. He noted there had been an instance around Thanksgiving and a month prior, when Firefly was down for several hours in one case. He indicated they normally would not worry but they had gotten rid of their Verizon landline, and there was no cell service. He asked if Mr. Wood had any intuition about whether Firefly was providing service to that area, and if it was not them, was it a system outage that Firefly had to work around. Mr. Wood indicated that Firefly did not have the cell tower next to Mr. Strong's home so he was not sure why that was out at the same time.

Mr. Wood explained that Firefly had a strange issue that day, which he recalled was on a Monday. He noted that on that Sunday, Firefly had a failure. He explained that Firefly went into the internet in two locations, Ashburn and Richmond. He explained that they had an issue with the Richmond location, so they had re-routed all traffic through Ashburn. He noted that normally if one location failed, they would move to the other. Mr. Wood explained that as they were attempting to restore service to the Richmond location, it created a problem with the service being redirected to the one area that was not available, which caused the outage. He noted that they identified the problem and got it back on. Mr. Wood explained that the issue was highly unusual and they were still trying to find out from the manufacturer how that happened. He indicated that they were looking to add a third path, which he noted may happen in the next year or the following year. Mr. Strong noted that he understood, as even CVEC power outages happened. He noted that the circumstance impacted people around him, noting that they had no way of contacting emergency services. He commented that for the County to have some of its citizens in that sort of situation, was not a good situation. Mr. Strong noted he was trying to get a handle on it and he commented that he thought that from the way Mr. Wood was explaining it, was that it was a weird situation that was not likely to come up again. Mr. Wood explained that they did a lot of things for reliability, noting at each hut, there were backup generators. He also indicated that all of the huts were on loops so if any one fiber went bad, it fed from another direction. He noted that all of those loops were on bigger loops that feed out in two directions with two different carriers in geographically different areas. For example, Mr. Wood indicated that if a fiber were cut along Interstate 64, it should not affect fiber on Route 29. Mr. Wood noted he would check, but he did not think Firefly served that cell tower. Mr. Strong noted that he brought it up, not because it was annoying, but he was mainly concerned about emergency service access.

Mr. Wood reported that Firefly would be going back and revising their existing huts, and start new huts on a 10 gig based system. He noted that they were currently on a 1 gig based system, which meant the maximum speed they could sell retail was 1 gig, unless it was business service, where they could do some special things. He noted going to a 10 gig base would allow them to sell 2.5 gig, and 4 gig service. Mr. Wood indicated that they could sell 10 gig, except no one had home/residential equipment that ran 10 gig. He noted the upgrades were to also prepare for the future. He explained that it was the same fiber but it would mean a different router and it would cost a little more for higher speeds. He noted that it would not affect anyone who already had service, but it would provide opportunities for upgrades so that they would continue to grow with the speed needs of the future. He reported that when they first started in Nelson County, they had 10 gigabits of backbone that they shared. He noted that they went to a 100 gigabit backbone for several years and they had just switched over to a 400 gigabit backbone. He indicated that they had pathways to multiple 400 gigabit backbones as they grew, so they were carrying more data and

were ready to carry even more data. Mr. Wood reported that Firefly was adding local tech support people, in addition to the third party group they used. He assured the Authority that they were not stopping what they were doing, but they wanted to be the best at providing the service they provided. Mr. Strong noted that he was glad Firefly was addressing the backbone capability.

Mr. Wood reported that Firefly had several servers that had moved onto their network, noting that Netflix was one of them. He noted that 90 percent of the people streaming Netflix were streaming from Zions Crossroads, not from a datacenter. He explained that cut down on the chance of having issues off the network. He noted that it reduced Firefly's need on the backbone to haul the traffic because it was local. He indicated that Amazon had also just moved onto network and was now distributed from Zions Crossroads on the network. Mr. Wood reported that Firefly crossed a total of 25,000 active accounts, and by end of 2025, they would be in front of 90,000 homes. He noted they were putting in a VATI application in the next week that would put them in front of another 15,000. He pointed out that Nelson was not part of the application because there is no more work to do. He congratulated Nelson County and thanked the Authority for their partnership. He noted that they still had some work to do, and they were not stopping until there was service in front of everyone so that if they wanted it, they could have it.

Mr. Strong thanked Mr. Wood and Firefly for bringing the service to Nelson. Mr. Wood noted they had a great team doing the work.

Mr. Bruguere asked Mr. Wood how close they were to their 11 years' payoff. Mr. Wood noted it was an inexact science. He indicated that the underlying numbers were still the same. He reported that they had some grants that helped a little bit, so if they used those grants, they were in good shape. He reported that for the current year, Firefly paid out \$3 million extra to CVEC for their lease. He explained that one of the ways the Co-op (CVEC) made money off of the fiber was by charging their full interest cost, plus 2 percent more on the interest rate, and that was on \$150 million of fiber (2 percent of \$150 million = \$3 million). He noted that it was basically \$3 million in profit to the Co-op. He also noted that the Co-op paid about \$1.5 million worth of salaries of CVEC employees because of some of time spent doing work for Firefly. He reported that the Co-op received a 5 percent margin on everything sold on the interest, time and everything else sold to Firefly. Mr. Wood estimated that the Firefly benefit to the Co-op was somewhere around \$4.5 million. He noted from a tax approach, they were losing money. He estimated that they would have a \$2 million loss in Firefly in the current year mainly due to depreciation. He noted that part of that caught up as they added on subscribers. He explained that when building these big projects, they really did not see positive cash flow until they were finished. He summarized that they were in good shape, and they were making their numbers. He noted that the margins were partly supported by the fact that they had grants of different types. He explained that once they finished up with the FCC money coming in, which he noted was on a 10-year flow, then they would have to stand alone. He noted they would be in good shape then.

Mr. Saunders how long it took from they laid the main cable to the first connection. Mr. Wood noted it depended on size of circuit. He provided an example from Louisa County for one circuit with 150 miles of fiber that went past 2,000 homes and 1,200 people signed up. He reported that the make ready work fiber construction, and connections took about 12 to 16 months on a big circuit. He noted that Walkers Mountain had 17 homes and they only had to go two (2) miles, so once make ready work was complete, they could pull the fiber in one (1) day, and then it would just depend on scheduling splicers so it could be fairly quick. Mr. Wood noted that the amount of time was dependent on the size of the area.

Mr. Rutherford mentioned new construction and asked if CVEC had modified their practice to include conduit for the fiber. Mr. Wood noted that CVEC had not put in a requirement for conduit for fiber yet. He indicated that they were working to coordinate things to get service in faster. He noted that the fiber

cable was direct buried for the most part. He commented that the conduit would be helpful if there would be a driveway or sidewalk installed over it. Mr. Wood noted that they were working on settling that discussion among the CVEC engineers before putting that requirement in. He explained that they were trying to make sure people understood that if they had electric service, they knew they needed to contact Firefly separately because the SCC did not allow the Co-op to provide customer names to Firefly. Mr. Rutherford noted timeline for Firefly to his new home was about one year from registration to the point of having service. Mr. Wood noted that once construction was complete in an area, their goal was to be able to connect people in 10 days. He indicated that they were not ready to announce that in public but they had been working at it for the past few months. He noted they had not been able to meet that every time, but they were close. Mr. Wood explained that one of the keys was getting the word out about signing up for Firefly. He noted that if people knew and they registered, Firefly wanted to get them connected quickly.

Ms. McGarry asked about the Piney River/Route 151 triangle. Mr. Wood reported that the fiber was up, and they would be splicing within a week or two, with connections to follow. He noted there were about 5 or 6 homes in that area.

The Authority had no other questions.

Mr. Wood presented a Firefly Flash mascot to each NCBA members and staff. He noted that when they spoke again, he hoped to have a date for Afton.

V. New/Unfinished Business
A. Treasurer's Report

Ms. Staton reviewed the Treasurer's report:

NCBA Treasurer's Report - December 2023

<u>Broadband Operations @ 11/30/2023</u>	
Beginning Balance 7/1/2023	\$ 351,029.24
July - November 2023 Expenditures	\$ (7,893.29)
July - November 2023 Revenues	<u>\$ 20,939.40</u>
Subtotal	\$ 364,075.35
General Fund Transfer 7/1/2023	\$ -
Bank Balance at November 30, 2023	\$ 364,075.35
July - November 2023 Outstanding Checks	<u>\$ -</u>
Available Balance at November 30, 2023	\$ 364,075.35

<u>Accounts Receivable Aging Summary as of November 30, 2023</u>	
Current	\$ -
1-30 days	\$ 3,187.50
31-60 days	\$ -
61-90 days	\$ -
> 90 days	\$ -
Total	<u>\$ 3,187.50</u>

Revenues & Expenditures

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

She reported that between expenditures and revenues, the increase offsetting that was \$13,046.11 in revenue, which made the final total in the bank account \$364,075.35. She noted that the operating budget outside of the contingency reserve for expenditures was \$53,491. She reported that of that amount, they had only spent \$6,986.57 to date. Ms. Staton then reported in revenues for that same time period of July through November, they had an operating budget outside of the year-end balance of \$159,974, of which they had received to date, \$20,939.40. She indicated that the importance of that information was to let the Authority know, that so far, in the first five (5) months of the fiscal year, they had only utilized

approximately 13 percent of their budget for both expenditures and revenue. She noted that most of their anticipated operating costs would be in the second portion of the fiscal year. Ms. Staton indicated that the biggest portion of that would be related to the tower lease revenues, as well as expenditures and any equipment that may be needed. She reported that there were no purchase orders in process for any items, so there were no anticipated costs currently.

Ms. Staton noted that she included the current aging summary and nothing was past due for collections. She reported that the current Accounts Receivable amount was \$3,187.50. She included the adopted FY24 Broadband Fund budget for reference.

BROADBAND FUND				
EXPENDITURE SYNOPSIS - Adopted 6/13/23				
Expenditure by Dept.	FY 22-23	FY 23-24	Increase/Decrease	% Change
	Proposed Budget	Proposed Budget		
Network Operations				
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%
Total	\$273,915.00	\$273,612.00	-\$303.00	-0.11%
REVENUE SYNOPSIS - Adopted 6/13/23				
Revenues	FY 22-23	FY 23-24	Increase/Decrease	% Change
	Proposed Budget	Proposed Budget		
Network Operations				
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%
Total	\$273,915.00	\$273,612.00	-\$303.00	-0.11%

Mr. Strong noted that if the Authority decided to terminate in the current meeting, they would need to find out how the finances and projected expenditures would transfer to the Board of Supervisors.

The Authority had no questions on the Treasurer’s report.

B. Dissolution & Termination of NCBA (R2023-03 tabled from June 13, 2023 NCBA meeting)

Ms. McGarry reported that the Dissolution and Termination of the Broadband Authority was included on the agenda as a procedural matter since it was tabled from the June meeting. She noted that the Authority was provided with basically the same information from June that outlined the process for what would need to be done. She referenced State Code Authority §15.2-5431.9, which outlined the Dissolution and termination of Authorities.

Ms. McGarry reviewed the 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.

Mr. Strong asked each member's opinion on whether to terminate at the current meeting or continue to table. Mr. Saunders wanted to continue as they did not have 100 percent in Nelson. He noted that he wanted to be there until it was done.

Mr. Rutherford noted they were within a much closer margin than they were in June. He thought next June would be the day. He suggested that they get more details from Firefly on the other two areas where they would be doing hookups. He commented that the dissolution of the Authority would be monumental. He suggested that the process could be streamlined with the Board of Supervisors at the same time.

Mr. Strong asked if they were to continue on, what could the Authority do in the mean time until the 100 percent mark. Mr. Rutherford commented that the Broadband Authority's existence was more of a statement to the people of Nelson, that the Authority understands that they are not done yet. He noted that continuing on would make those waiting to be connected see that they have not been abandoned. He reiterated that he felt June would be the time.

Mr. Bruguier expressed concerns about the money, noting that there was \$364,000 sitting in an account that was not doing anyone any good. He commented that it came out of County coffers to start with. He noted that the County could certainly use the money in the upcoming budget. Ms. McGarry agreed. She estimated that the County gave the Authority \$750,000 initially to get started. She indicated that the Authority would need to have an organizational meeting in January and they could set meeting schedule for 2024.

Mr. Harvey noted that he did not have an opinion at the moment.

Mr. Strong suggested that the money could be dealt with by the Board if needed. He noted that he thought it was a separate issue. Ms. McGarry noted some funds could be transferred. Mr. Strong suggested they could look at transferring \$300,000 and keep some for any expenses that they may have. Ms. McGarry indicated that they could look and see what the remaining expenses would be. Mr. Strong and Mr. Rutherford suggested that they discuss the funds at the January meeting and asked staff to bring back more information at that time. Mr. Bruguiera asked if staff could also report how much money Nelson County had put into the Broadband in total.

Mr. Strong noted it was his opinion to table the motion again and meet in January to set a meeting schedule. Mr. Rutherford suggested they could look at May to close out and then it would go to the Board in June to have a clean closeout for the fiscal year.

Mr. Rutherford moved to table the dissolution and termination of the Authority. Mr. Saunders seconded the motion. There being no further discussion, Members voted unanimously (5-0) by roll call vote to approve the motion.

VI. Other Business (As May Be Presented)

The Authority had no other business.

VII. Adjournment

At 1:51 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.

January 9, 2024

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
Candice W. McGarry, County Administrator
Amanda B. Spivey, Secretary
Linda K. Staton, Director of Finance and Human Resources, Treasurer

Absent: Thomas D. Harvey – North District
Thomas H. Bruguere, Jr. – West District

I. CALL TO ORDER

Mr. Strong called the meeting to order at 1:00 p.m. with three (3) members present to establish a quorum and Mr. Harvey and Mr. Bruguere were absent.

II. PUBLIC COMMENTS

There were no persons present to speak under public comments.

III. REORGANIZATION, ELECTION OF OFFICERS, AND 2024 MEETING SCHEDULE

- A. Chair & Vice Chair**
- B. Secretary Treasurer**

Mr. Saunders moved to appoint Mr. Gary Strong as Chair, Mr. Jesse Rutherford as Vice Chair, Ms. Amanda Spivey as Secretary, and Ms. Linda Staton as Treasurer for 2024. Mr. Rutherford seconded the motion. There being no further discussion, Members voted unanimously (3-0) by roll call vote to approve the motion.

C. 2024 Meeting Schedule

Mr. Saunders moved to approve the 2024 meeting schedule as proposed for the second Tuesday of January, and May, at 1 p.m. in the General District Courtroom just prior to the Board of Supervisors meeting. Mr. Rutherford seconded the motion. Mr. Strong asked if the Authority should discuss dissolution in the current meeting, or wait until May. Mr. Rutherford suggested that if the Broadband Authority were to make the decision to dissolve in May, the Board of Supervisors could accept the dissolution of the Authority in June, and the dissolution could be reflected in the July budget. Ms. McGarry agreed, noting that she recalled that being suggested at the last Broadband meeting. Mr. Strong noted there had been comments previously that the Authority should remain until all of Nelson was hooked up to Firefly. Mr. Rutherford commented that Firefly was connecting people every day. He suggested they could have some pre-emptive discussions leading up to the May meeting and go from there. Mr. Saunders also noted that they could have a special called meeting at any time if something came up. There being no further discussion, Members voted unanimously (3-0) by roll call vote to approve the motion.

IV. NEW/UNFINISHED BUSINESS

A. Treasurer's Report

Ms. Staton reviewed the following report:

NCBA Treasurer's Report - January 2024

<u>Broadband Operations @ 12/31/2023</u>		
Beginning Balance 12/01/2023	\$	364,075.35
December 2023 Expenditures	\$	(358.03)
December 2023 Revenues	\$	<u>48,233.02</u>
Subtotal	\$	411,950.34
General Fund Transfer 7/1/2023	\$	-
Bank Balance at December 31, 2023	\$	411,950.34
December 2023 Outstanding Checks	\$	<u>-</u>
Available Balance at December 31, 2023	\$	411,950.34

<u>Accounts Receivable Aging Summary as of December 31, 2023</u>		
Current	\$	-
1-30 days	\$	1,187.50
31-60 days	\$	250.00
61-90 days	\$	-
> 90 days	\$	-
Total	\$	<u>1,437.50</u>

Revenues & Expenditures

As of December 31, 2023, FY24 total operational revenues exceeded expenditures by \$ 60,921.10.

The annual payment of 25% of the tower lease receipts from AT&T due to Rockfish Volunteer Fire Department in the amount of \$10,674.00 is being paid January 9, 2024.

Ms. Staton noted that during the December 12, 2023 meeting, the question was raised concerning the possibility of a fund transfer from the NCBA bank account to the County, in light of the pending dissolution of the Authority upon completion of the Nelson County Broadband Network project. She provided a projection of anticipated revenues and expenditures through June 30, 2024. Ms. Staton noted that the projected receipts were pretty conservative, as Ms. Susan Rorrer was anticipating more than that. She noted that the resulting balance was the amount available for transfer, should the Nelson County Broadband Authority make that determination.

<u>Projected Receipts January -June 30, 2024</u>	\$	75,000
<u>Projected Expenditures January-June 30, 2024</u>	\$	(30,674)
Net Revenue	\$	<u>44,326</u>
<u>Bank Account Balance January 1, 2024</u>	\$	411,950
Net Revenue	\$	<u>44,326</u>
<u>Projected Bank Balance June 30, 2024</u>	\$	<u>456,276</u>

Note: Staff recommends no more than \$400,000 be transferred until all revenues and expenditures have posted to accounts prior to disolution of the Authority and/or closing the bank account.

Mr. Strong noted Mr. that Bruguire had suggested transferring the \$400,000 before closing the NCBA. Mr. Rutherford thought it would be good to go ahead and do that. Mr. Strong agreed in proceeding with the transfer. Mr. Saunders thought they may be cutting it close and suggested that they should keep a little more money in the Broadband account. Mr. Rutherford suggested transferring \$300,000 instead. Mr. Saunders was fine with that amount. Mr. Rutherford noted that as the Board of Supervisors was going into budget session, it could be good to have those funds on hand.

January 9, 2024

Ms. McGarry noted that the suggestion was reasonable, and keeping \$100,000 was a good idea. She noted that they may have legal fees relating to the dissolution of the Authority. Mr. Rutherford commented that would leave about \$150,000 in the NCBA account.

Mr. Rutherford made a motion to transfer \$300,000 from the Broadband Authority bank account to the County's General Fund. Mr. Saunders seconded the motion. There being no further discussion, Members voted unanimously (3-0) to approve the motion.

V. OTHER BUSINESS (AS MAY BE PRESENTED)

Mr. Rutherford noted that Firefly was continuing to connect customers. He commented that some people who were waiting on Firefly service were able to connect to Starlink while they waited. He noted that it was a neat setup, and he had a few subscriptions that he used on jobsites where there was no cell service. He commented that the Broadband Authority of the future would be looking at ways to bring 100 GB of service into homes. The Authority had no further business to discuss.

VI. ADJOURNMENT

At 1:11 p.m., Mr. Saunders made a motion to adjourn the meeting and Mr. Rutherford seconded the motion. There being no further discussion, Members approved the motion by vote of acclamation and the meeting adjourned.

NCBA Treasurer's Report - May 2024

Broadband Operations @ 4/30/2024		
Beginning Balance 1/01/2024	\$	411,950.34
January - April 2024 Expenditures	\$	(16,389.83)
January - April 2024 Revenues	\$	<u>58,209.22</u>
Subtotal	\$	453,769.73
Transfer to General Fund 1/23/2024	\$	(300,000.00)
Bank Balance at April 30, 2024	\$	153,769.73
April 2024 Outstanding Checks	\$	<u>-</u>
Available Balance at April 30, 2024	\$	153,769.73

Accounts Receivable Aging Summary as of April 30, 2024		
Current	\$	-
1-30 days	\$	1,187.50
31-60 days	\$	-
61-90 days	\$	-
> 90 days	\$	<u>250.00</u>
Total	\$	<u>1,437.50</u>

Revenues & Expenditures

As of April 30, 2024, FY24 total operational revenues exceeded expenditures by \$ 103,647.21.

At the January 9, 2024 meeting, the Broadband Authority agreed to a fund transfer of \$300,000 from the NCBA bank account to the County bank account in light of the pending dissolution of the Authority upon completion of the Nelson County Broadband Network project. This transfer was made between bank accounts as directed on January 23, 2024. The April 30, 2024 bank balance shown herein represents the NCBA account balance after the completed cash transfer.

An appropriation adjustment for the \$300,000 transfer is required in the Broadband Fund financial reports to properly reflect this transaction. Journal entries have been posted for the purpose of balancing revenue and expenditure accounts in anticipation of the Broadband Authority's approval.

FUND # -114 ***Revenues-Broadband Network***
MAJOR ACCT# DESCRIPTION

BUDGET AMOUNT APPR. AMOUNT CURRENT AMOUNT Y-T-D AMOUNT

BALANCE REMAIN. *

999	***Revenues-Broadband Network***								
1502	***Revenue from Use of Property***								
0020	Fiber Leases	5,325.00	5,325.00	2,200.95	4,401.90	923.10	17.33		
0030	Tower Leases	121,535.00	131,535.00	45,057.32	108,291.29	23,243.71	17.67		
	Revenue from Use of Property	126,860.00	136,860.00	47,258.27	112,693.19	24,166.81	17.65		

1620	***Charges for Services***								
0001	Network Access Charges	3,000.00	3,000.00	500.00	2,250.00	750.00	25.00		
0100	Other Network Charges	20,114.00	20,114.00	1,875.00	12,438.45	7,675.55	38.16		
	Charges for Services	23,114.00	23,114.00	2,375.00	14,688.45	8,425.55	36.45		

1803	***Charges for Services***								
1899	***Installation Reimbursements***								
	Revenue from Use of Property	159,974.00	159,974.00	49,633.27	127,381.64	32,592.36	20.37		

3201	***Grants & Transfers***								
4101	***Non-Revenue Receipts***								
4105	***Transfers***								
9999	***Year Ending Balance***	113,638.00	413,638.00	.00	.00	413,638.00	100.00		
0001	Year Ending Balance	113,638.00	413,638.00	.00	.00	413,638.00	100.00		
	Year Ending Balance	113,638.00	413,638.00	.00	.00	413,638.00	100.00		

	---FUND TOTAL---	273,612.00	573,612.00	49,633.27	127,381.64	446,230.36	77.79
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Mar/Apr

*<69,172.42> (July-Dec 23)
58,209.22 (Jan-Apr 24)*

EXPENDITURE SUMMARY
7/01/2023 - 4/30/2024

PAGE 2

Mac Apr

MAJOR ACCT#	DESCRIPTION	BUDGET AMOUNT	APPR. AMOUNT	CURRENT AMOUNT	Y-T-D AMOUNT	ENCUMBRANCE AMOUNT	UNENCUMBERED BALANCE	REMAIN.
FUND # -114 ***BROADBAND PROJECT***								
Broadband Network								
94100	***Network Operations***							
94200	Remuneration-Broadband Authority	750.00	750.00	.00	600.00	.00	150.00	20.00
1011	Professional Services (Netop)	6,600.00	6,600.00	1,100.00	4,950.00	.00	1,650.00	25.00
3003	Professional Services	1,500.00	1,500.00	1,488.00	1,488.00	.00	12.00	.80
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 Locales	5,000.00	5,000.00	830.77	3,929.96	.00	1,070.04	21.40
3012	Service Contracts	.00	.00	.00	269.05-	.00	269.05	100.00-
5501	Travel (Mileage)	200.00	200.00	.00	94.64	.00	105.36	52.68
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	10,673.88	.00	.12	.00
	Network Operations	53,491.00	53,491.00	3,418.77	23,734.43	.00	29,756.57	55.62
FIREFLY FIBER EXPANSION 2021								
94500	***TRANSFERS***							
94600	Transfer to General Fund	.00	300,000.00	.00	300,000.00	.00	.00	.00
9101	***TRANSFERS***	.00	300,000.00	.00	300,000.00	.00	.00	.00
Broadband Network								
		53,491.00	353,491.00	3,418.77	323,734.43	.00	29,756.57	8.41
Contingency								
999000	Contingency Reserve	220,121.00	220,121.00	.00	.00	.00	220,121.00	100.00
9901	***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	573,612.00	3,418.77	323,734.43	.00	249,877.57	43.56

<300,000> Transfer to General Fund
23,734.43
<7,344.00> (July - Dec 23)
16,389.83 (Jan - Apr 24)

** No outstanding checks through Apr. 24.*

Nelson County Broadband Authority
A/R Aging Summary
As of April 30, 2024

	Current	1 - 30	31 - 60	61 - 90	> 90	TOTAL
Segra	0.00	937.50	0.00	0.00	0.00	937.50
Social Services	0.00	250.00	0.00	0.00	250.00	500.00
TOTAL	0.00	1,187.50	0.00	0.00	250.00	1,437.50

IV B

NELSON COUNTY

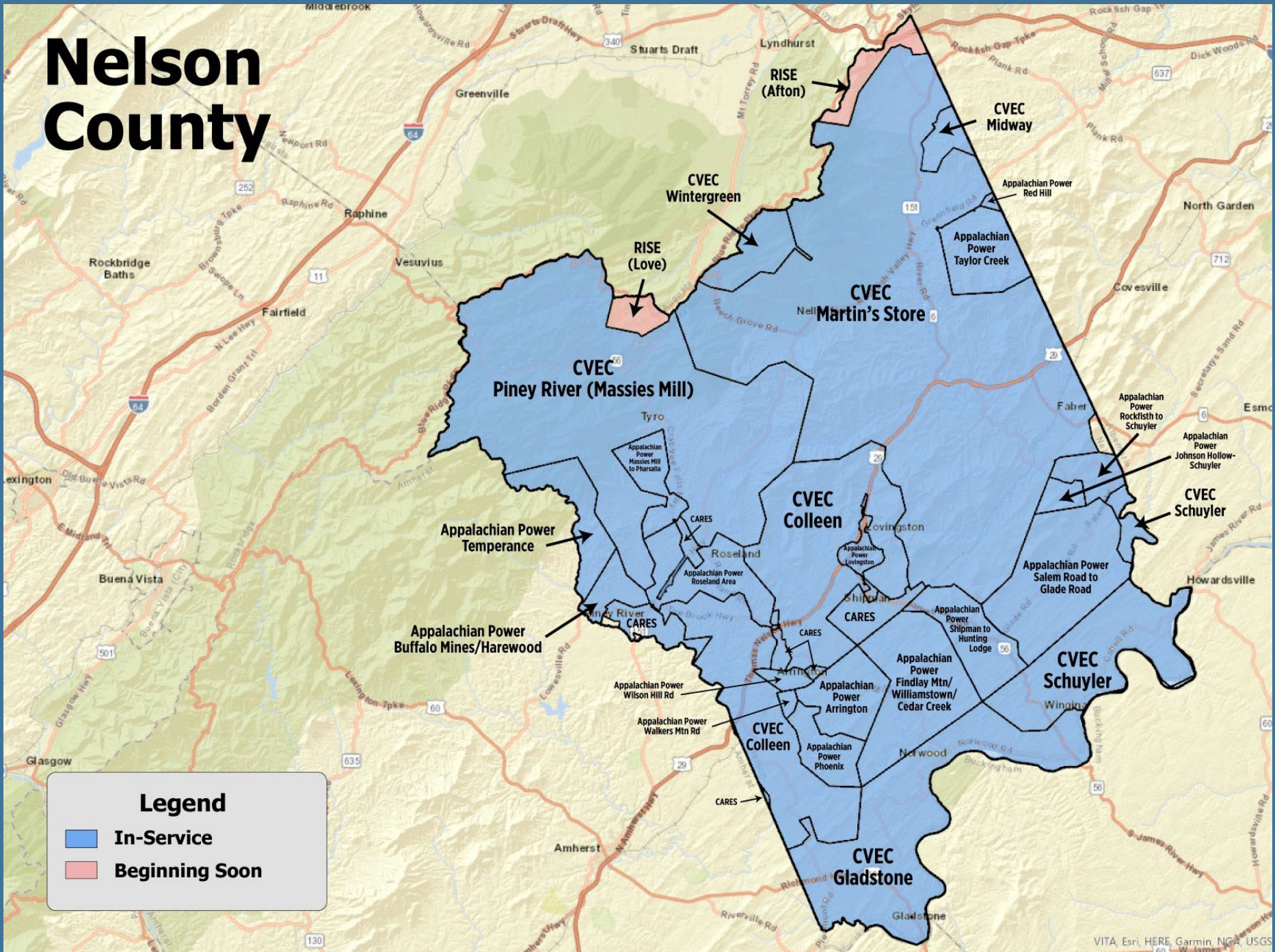
Closing the Rural Digital Divide

PROJECT UPDATE | May 2024



firefly
FIBER BROADBANDSM

Nelson County



Legend

- In-Service
- Beginning Soon

VITA, Esri, HERE, Garmin, NGA, USGS

Nelson County- Passings, Investment, Connections



10,600
Potential
locations



\$40,000,000
Firefly Investment

4,200,000
feet of fiber



6,950
Connected

The **800 miles** of fiber built in Nelson County, laid in a straight line, would reach from Lovington to Miami, Florida

Reach Us Online or over the Phone

Register for service anytime at

<https://www.fireflyva.com>

83FIREFLY1 ([833-473-3591](tel:833-473-3591))



firefly light

100 mbps x 100 mbps

Offers unlimited data at 100 Mbps upstream & downstream. Managed Wi-Fi, the most reliable in-home wireless service for your devices, is included free!

\$49.99/ Month

Contact Us



firefly flash

1000 mbps x 1000 mbps

Enjoy unlimited data up to 1 Gbps upstream & downstream. Managed Wi-Fi, the most reliable in-home wireless service for your devices, is included free!

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FIBER BROADBANDSM



Thank you for your
Partnership.

firefly
FIBER BROADBANDSM



Firefly Fiber Broadband is pleased to offer this project report to the Nelson County Broadband Authority. Through the unique private-public partnership between Nelson County and Firefly, we have been able to achieve significant progress in our shared goal of extending fiber optic service to every location in Nelson County.

There are approximately 10,597 serviceable locations that have electric service across Nelson County (this excludes locations such as field waterers, electric fences, barns etc. that may have electric accounts but would not take internet service). Of these serviceable locations, 10,388 have fiber to the home service available today. Therefore, about 98% of locations in Nelson County have Firefly fiber to the home service available.

Firefly has connected all those who have registered during the construction period and continues to make in-home connections for new sign-ups. Firefly has connected nearly 7,000 accounts in Nelson County as of 4/26/24. This results in a take rate (registration rate) approaching 70% across the County. We continue to place a priority on any new registrations in the County to get those who choose to take our service connected in an efficient manner.

For the remaining 2 areas that require further construction and partner coordination to reach, the Dominion Energy area in Afton and the small area of Love served, we still intend to have both these areas connected in 2025. For the Afton area, this area must be fed off Dominion's fiber that they are building through southern Albemarle. Dominion is in design and our timeline is driven by them. We hope to have Dominion complete their work by mid-2025 or earlier. We are keenly aware of the need and interest in this area. Dominion has received approval to build this area and is required to build it within 18 months of the April 2024 approval. We hope to get them moving a bit quicker and will coordinate our work to limit the time after their completion and before final connections. For Love, Firefly will assure these citizens are served within the project timeline. This is an extremely difficult section of terrain to work through, but we intend to have them connected in 2025.

Firefly has built over 800 miles of fiber in Nelson County and will have invested an estimated \$40,000,000 in the County upon the completion of the network. With 98% of the County with fiber connectivity, Nelson sits first or among the first in the State with that level of connectivity. Thank you for your continued support and partnership.

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

RESOLUTION-R2024-02

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: _____, 2024

Attest: _____, Secretary
Nelson County Broadband Authority

NELSON COUNTY BROADBAND AUTHORITY

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

MEMBERS

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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

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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.

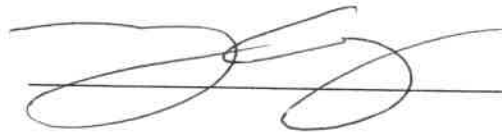
11. Successors. This Agreement and the terms and conditions contained herein shall inure to the benefit of and be binding upon County and NCBA and each of their successors and permitted assigns. NCBA shall be permitted to record this Agreement or a Memorandum of Lease which the County agrees to execute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

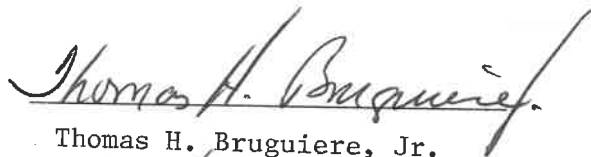


Thomas D. Harvey

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. Bruguiera, 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.

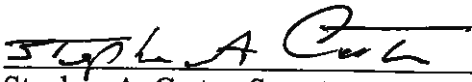
5. The Authority's initial registered agent is:

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
Lovingson, 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