

RICHMOND REGIONAL PLANNING DISTRICT COMMISSION
Minutes of Meeting
October 8, 2015

Members and Alternates (A) Present

Parker C. Agelasto.....City of Richmond
Timothy M. Davey Chesterfield County
Steve A. Elswick Chesterfield County
Evan Fabricant..... Hanover County
Daniel A. Gecker, Vice Chairman..... Chesterfield County
Kathy C. Graziano, Secretary.....City of Richmond
Jimmy Hancock..... Henrico County
James M. Holland..... Chesterfield County
David A. Kaechele Henrico County
Angela Kelly-Wiecek Hanover County
Floyd H. Miles, TreasurerCharles City County
Tyrone E. Nelson..... Henrico County
Patricia S. O’Bannon..... Henrico County
C. Harold Padgett Hanover County
Ken Peterson..... Goochland County
W. Canova Peterson Hanover County
Edward W. Pollard New Kent County
Rodney PooleCity of Richmond
Randall R. Silber (A)..... Henrico County
Emily Thomason (A).....City of Richmond
Frank J. Thornton Henrico County
Arthur S. Warren Chesterfield County
David Williams, Chairman..... Powhatan County

Members Absent

Daniel ArkinCity of Richmond
Jonathan T. BalilesCity of Richmond
Karin Carmack Powhatan County
Richard W. Glover Henrico County
Russell J. Gulley..... Chesterfield County
Dorothy Jaeckle..... Chesterfield County
Michelle Mosby.....City of Richmond
Faye O. Prichard.....Town of Ashland
C. Thomas Tiller..... New Kent County
Carson Tucker Powhatan County
Robert Witte Henrico County

Others Present

John AmosRRPDC Legal Counsel
 Matt Bussing Design Nine Inc.
 Jon Clary Hanover County
 Kim Hynes Central Virginia Waste Management Authority
 Richard Nolan Central Virginia Waste Management Authority
 Mark Olinger City of Richmond
 Mark RhodesDunham, Aukamp and Rhodes
 Matthew Rowe Charles City County
 April Swanson Henrico County
 Randy Whittaker Hanover County

Staff Present

Barbara Jacocks Interim Executive Director/Director of Planning
 Julie H. Fry Executive Secretary
 Sulabh Aryal Planner
 Anne DarbySenior Planner
 Billy Gammel Planner
 Chuck Gates Manager, Community Affairs
 Jin Lee Senior Planner
 Leigh Medford GIS Coordinator
 Barbara Nelson Director of Transportation
 Kathy Robins Senior Planner
 Jackie Stewart Manager, Special Projects
 Peter Sweetland Finance and Contracts Administrator
 Chris Wichman Senior Planner

Call to Order

Chairman Williams called the regularly scheduled October 8, 2015 RRPDC meeting to order at approximately 9:00 a.m. in the RRPDC Board Room. He then led members in the pledge of allegiance to the flag.

I. ADMINISTRATION

A. Certification by Commission Interim Executive Director of Meeting Quorum

Ms. Jacocks reported that a quorum of members was present.

B. Request for Additions or Changes to the Order of Business

Chairman Williams asked if there were any requests to change the agenda or order of business.

There were no requests to change the agenda and Chairman Williams indicated the agenda would stand as presented.

C. Open Public Comment Period

Chairman Williams opened the public comment period, noting that if anyone wished to address the members, to please come to a microphone and provide his or her name, locality of residence, and if appropriate the name of any organization being represented. Chairman Williams asked that any citizen speaker please limit comments to three minutes, and organizations should limit their comments to five minutes.

As there were no requests from the public to address members of the Board, Chairman Williams closed the public comment period.

D. Approval of September 10, 2015 Meeting Minutes

Chairman Williams asked Ms. Graziano to present the minutes of the September 10, 2015 meeting.

Ms. Graziano asked if there were any changes or corrections to be made to the minutes.

There were no corrections or comments on the minutes, and on motion made by Mr. C. Peterson and seconded by Mr. Gecker, the minutes of the September 10, 2015 meeting were approved unanimously as presented.

E. Approval of August 2015 Financial Report

Chairman Williams asked Mr. Miles to present the financial report for August 2015.

Mr. Miles said if there were no corrections, he would ask for a motion to accept the August 2015 financial report as presented. Ms. Graziano so moved and the motion was seconded by Mr. Gecker. There was no further discussion and the motion carried unanimously.

F. Chairman's Report

Chairman Williams reported that the search for a permanent Executive Director is proceeding on schedule. Second interviews for the finalists have been scheduled. He said he's very pleased with what has been accomplished to this point, and he feels confident that the goals set at the beginning of the search process can be met.

H. Interim Executive Director's Report

Ms. Jacocks brought members' attention to the staff activity report, which is included in the agenda book under Tab 3 and details work being advanced by staff on behalf of the localities. She said staff will be happy to address any questions on what is included in the report.

Ms. Jacocks said she would like to point out that under Media Mentions, there were two news articles generated as a result of the presentation made to the Board last month by the Town of Ashland – one in the Richmond Times-Dispatch and one in the Mechanicsville Local. She noted this is the type of conversation the Board should have to generate discussion on issues of regional importance, to learn from each other, and to be able to take ideas back to each of the localities.

Staff hopes to hear next week about grant funding from the Department of Homeland Security, which will allow the agency to retain its Senior Emergency Management Planner. This program has been well received around the region, and staff hopes to be able to continue to meet this commitment to support emergency management planning in the localities.

The Staff Status Report also provides information on the Bus Rapid Transit (BRT) project, which is being undertaken in cooperation with the City of Richmond. Ms. Jacocks thanked Mr. Mark Olinger, Director of Planning and Development Review with the City of Richmond, for his attendance today. The first public meeting related to land use connectivity along the route will be held on November 19. Ms. Jacocks also thanked Mr. Poole for his assistance on the project.

Ms. Jacocks reminded members that Mr. Lysy retired on September 1, and he was honored during the September 24 meeting of the Richmond Regional Transportation Planning Organization. She said Ms. Barb Nelson, who is now serving as Director of Transportation, was able to work with Mr. Lysy prior to his retirement, which resulted in a smooth transition of leadership.

II. CONSENT AGENDA

Chairman Williams asked if there were questions on the Consent Agenda item. He noted that the Consent Agenda has been recommended for approval by the Executive Committee.

- A. The RRPDC Board should consider action to approve the attached resolutions recommending adoption of Major Amendments #8 and #9 to the Central Virginia Solid Waste Management Plan as outlined and as approved by the Central Virginia Waste Management Authority Board. (Tab 4)

Mr. Agelasto made a motion that the Consent Agenda be approved as presented. Ms. Graziano seconded the motion. There was no discussion and the motion to approve the Consent Agenda as presented carried unanimously.

III. UNFINISHED BUSINESS

There was no Unfinished Business to bring before the Board.

IV. NEW BUSINESS

A. RRPDC Audit Committee Report

Chairman Williams asked Mr. Miles, RRPDC Treasurer, to provide this report.

Mr. Miles, Chairman of the RRPDC Audit Committee, noted that the committee met earlier this morning to receive the revised draft FY15 audit report from Mr. Mark Rhodes, who is with Dunham, Aukamp and Rhodes and performed the audit. Mr. Miles reported that the Executive Committee recommended acceptance of the report by the full Commission Board. Audit Committee members are Mr. Miles, Audit Committee Chairman; Chairman Williams, Mr. Gecker, Mr. Glover, and Ms. Graziano.

Mr. Miles asked Mr. Rhodes to present a summary of the report to members.

Mr. Rhodes said the FY15 audit produced an unqualified opinion which indicates no issues were detected in the agency's financial operations. He said page 2 of the audit report shows the requirement of supplementary information implemented this year in order to comply with Statement No. 68 of the Governmental Accounting Standards Board (GASB). The statement now requires that employers recognize a liability as employees earn pension benefits and recognize annual pension costs under an earnings approach. This necessitated the restatement of the beginning balance of the net position. Previously this information could be included as a footnote and did not have to be shown as part of expenses. This requirement expanded the notes considerably. Footnote 11 provides details on this change. Additional disclosures are available at the end of the report.

Mr. Rhodes noted that revisions had been made to the report after the agenda packets had been mailed. Revised versions of the draft report are available on the table in the back of the room.

Ms. O'Bannon asked if the Executive Committee discussed the questions raised by Henrico County. Staff noted that these concerns were addressed by the Audit Committee and are reflected in the revised copy of the report. Ms. O'Bannon asked if the revisions could be reviewed.

Mr. Rhodes reported that Henrico County made recommendations to change information on page 5, Management Discussion, to emphasize the restatement of the 2014 numbers. A footnote was added to indicate the change. This is also indicated on page 5 in the Government Wide Financial Statement – Net Position, as well as on page 6 in the Statements of Activity, indicating the restatement. Mr. Rhodes said there was a recommendation that some of the more detailed changes be noted. However, that

information was not required in order to be in compliance and is not included in the revised report.

Mr. Holland said he agreed the revisions outlined by Mr. Rhodes are required by most entities. He thanked Mr. Rhodes for the clarification.

Chairman Williams said if there were no additional questions, he would ask for a motion to accept the revised, draft FY15 audit as presented. Mr. Miles so moved and the motion was seconded by Mr. Thornton. The motion carried unanimously.

B. Regional Forum Series – Charles City County Telecommunications Project: Roxbury Phase

Chairman Williams asked Mr. Miles to introduce today's speakers.

Mr. Miles said there are many times when everyone will take things for granted. For example, in the larger jurisdictions, access to broadband service is a routine part of doing business. However, in the smaller jurisdictions, access to broadband is not as easy. Mr. Miles noted that his next door neighbor has broadband service, but the only way he could receive this service was to install a satellite dish.

Mr. Miles introduced Mr. Matthew Rowe, who is the Planning/Economic Development Director in Charles City County. Mr. Miles said that Mr. Rowe has been with the County for three years. Mr. Rowe saw a need in the County and with the help of grant funding and the Economic Development Authority, he has been able to accomplish a project that will provide, when completed, broadband service to approximately 75 percent of the County's residents. Also present to help answer any questions is the consultant from Design Nine, Mr. Matt Bussing.

Mr. Rowe thanked members for the opportunity provide this presentation to them today. He asked Mr. Bussing to offer some background information on Design Nine. Mr. Bussing said Design Nine is located in Blacksburg (VA) and has been assisting Virginia localities, as well as localities across the country, with community projects for over ten years. Most of the company's focus is on community broadband. Design Nine began working with Charles City County on a planning project that has evolved into a dark fiber buildout. Design Nine is providing project management and is excited that the project is progressing so well.

Mr. Rowe said he will provide information on the existing conditions in the County along with an overview of the project, information on the grants and other funds involved, and the planning and implementation process. At the end of the presentation, Mr. Rowe said he will provide some final thoughts and recommendations for those who may want to begin their own process for this type of project. The project is a collaborative effort between the County, Commonwealth of Virginia, and the Department of Housing and Community Development (DHCD).

Mr. Rowe provided a map that showed the exact location of Roxbury Industrial Park, which is the focus of this phase of the project. The Park is in the northwestern corner of the County, near the Henrico County and New Kent County lines. Communications challenges include:

- lack of reliable and affordable internet in Roxbury area and county-wide
- various providers unwilling to upgrade infrastructure/service
- industrial park contains about 50 businesses
- roughly 650 people employed in the area
- job retention/creation of 225 positions

The County conducted surveys of both residents and businesses/industries. He said given the total population of the County, the number of responses received was very high.

Residential respondents:

- 96% desired better internet/data service
- 65% wanted better telephone service
- 86% were not satisfied with current service
- 42% used internet to actively complete school assignments or job training
- 71% currently use dial-up with no other offered alternative

Business and Industry respondents:

- 95% needed better internet/data service
- 91% desired better telephone service
- 77% not satisfied with current service
- 57% indicated willingness to pay more for better service
- 76% used Verizon as internet provider and 95% used Verizon as local telephone provider
- 48% stated affordable broadband would allow creation of new jobs

Mr. Rowe indicated the project area includes Roxbury (fiber conduit and wireless) as well as Charles City Court House and Ruthville (wireless). Approximately seven to eight miles of in-ground fiber conduit will be laid in addition to the construction of equipment cabinets and two new 120-foot wireless towers and colocation of equipment for an existing tower. The total estimated cost for the project is \$665,000.

A map of the project area was provided. Mr. Rowe indicated that DHCD has let him know Charles City County is the first in the state, and most likely the country, to use Community Development Block Grant (CDBG) funds for wireless purposes. The funds are typically used by businesses.

CDBG Telecommunications Funding Grant requirements included:

- Virginia DHCD program grant available up to \$25,000 and matched with \$10,000 from the County's Economic Development Authority (EDA)
- funding for planning required to be eligible to apply for construction grant funds
- required to set up local telecommunications management team of diverse stakeholders
- justify and document jobs to be retained or created through surveys/data
- public hearings and a Board resolution

CDGB Economic Development Grant requirements included:

- Virginia DHCD program funds up to \$700,000
- must have a completed Telecommunications Plan
- must be based upon job creation/retention
- economic development focused

Charles City County Financial Project Summary points are as follows:

- Telecommunications Planning Grant: \$25,000 from the Virginia DHCD grant plus \$10,000 local EDA match funds
- CDGB Economic Development Grant: \$600,000 in Virginia DHCD grant funds and \$55,000 in EDA local match funds

Mr. Rowe provided a timeline of the project, which began in the October-December 2012 time period with discussions between County staff and DCHD regarding an application for grant funds. During the next several months, from March 2013 through October 2014, County staff worked to complete grant requirements, including the establishment of the Telecommunications Team, public surveys, and development of business plans. The CDBG grant was awarded to the County on December 22, 2014, by Virginia Secretary of Commerce and Trade, Maurice Jones.

The County began working with Design Nine in early 2015 to secure the required permits, retain a Tier 1 provider, and to develop the project route. Looking ahead, construction is set to begin later this year, and it is anticipated the project will be completed in early 2016. At that time, approximately 75 percent of the County businesses and residences will be connected to fiber or wireless telecommunications. Mr. Rowe emphasized that the County would not have been able to move forward on this project without the assistance of Design Nine and the RRPDC staff.

Mr. Rowe said throughout the process the County has learned that access to the internet is no longer a luxury. It is as vital as public utilities. Other lessons learned through the process include:

- CDBG can be used to fund telecommunications projects
- be persistent in documentation to justify the need
- select a well-qualified consultant
- pursue the project in phases

- depend on the RRPDC and regional entities to document support
- make it easy for businesses to document need and support
- create a telecommunications management team
- do not be discouraged by low meeting participation or lack of provider interest
- ensure clarity for providers on routes, equipment, and expectations
- start environmental reviews immediately upon award of the grant
- tap local historians to write the Department of Historic Resources analysis letter
- be persistent with backhaul (Tier 1) providers
- adopt a telecommunications ordinance that supports last-mile
- beware of large providers who offer “deals” to customers for lengthy contracts once the project appears to be imminent
- don’t over-promise certain speeds or capabilities

Mr. Rowe said it became clear to the County that it is possible for every community to have access to affordable and reliable telecommunications.

Over the summer, the County began working with the Virginia Economic Development Partnership (VDEP) to attract a \$400 million-plus project that requires reliable high-speed internet and telecommunications. This fall, the County’s EDA will facilitate the expansion and provision of high-speed wireless internet to Upper Shirley Vineyards, which is a \$5 million-plus facility that will open later this year.

Mr. Rowe reported that in June of this year, New Kent Coatings expanded into a vacant building and brought in over 20 new jobs to the County due to the fact that the company will be served by the County’s fiber network. In August, a Fortune 500 company that had originally planned to move to another state decided to remain in Charles City County and created 12 new jobs – again, because of the fiber network accessibility.

Mr. C. Peterson said he thought satellite internet was available in any location as an alternate to dial-up internet. Mr. Rowe said that’s true if there is a clear line of sight to the satellite, which usually requires a clear southern line of sight. With all of the trees in the County, this may not be an option. Additionally, satellite service may not be affordable to most residents.

Ms. Kelly-Wiecek asked if Mr. Rowe could clarify the criteria needed to obtain the \$600,000 grant from the state and how this grant induced the Tier 1 provider to become a partner in the project. Mr. Rowe said Charles City County is a transitional location, as is Goochland County. In the DHCD manual, a transitional location is determined based on unemployment figures, housing index numbers, and other data that measures the wealth of the locality. This particular grant was an economic implementation grant. A need must be documented and there must be documentation to show that jobs will be created and/or retained. A telecommunications plan must be in place. Another key to being awarded the grant was the amount of backing given to the County through letters of support. Mr. Rowe said the amount of money would not have made any difference in whether or not the Tier 1 provider came on board. He said that Design Nine was instrumental in helping to convince the provider to partner with the County. Mr. Bussing added that it’s important to

talk with all providers in the locality and to show them there is a business case to build up the market. Mr. Rowe noted that 28 percent of businesses in the County are home-based.

Mr. Agelasto said that some localities in the southwestern part of the state have developed municipal-owned service where they have put in the line and then lease service to providers. He said it sounds like Charles City County has put in the line and will hand off the task of providing service to the Tier 1 provider. Mr. Bussing said it was important from the onset to minimize the operational burden on the County. It was recommended that the County's implementation plan be for a darknet and passive assets only. While the County will install the equipment, they won't own any of the electronics. The service providers will be able to use the fiber and install any other electronics needed to run their business. This minimizes the operational burden for the County. The County will need to have contracts with vendors to provide repair services for the fiber, conduct Miss Utility searches, and general management of fiber strands. Mr. Rowe said the lease payments from providers will pay for these smaller contracts. The County does not want to be in business to compete with the providers.

Mr. Miles said none of this work would have been possible without the assistance of the RRPDC staff. He said he sees this as an example to show a return on the dues paid by the County to RRPDC.

Mr. Padgett asked if the presentation could be provided to members. Staff said a link to the presentations can be provided to members.

Chairman Williams thanked Mr. Rowe and Mr. Bussing for presenting the project information to members. He said it's very applicable to Powhatan County. Charles City County has demonstrated that the status quo does not have to be accepted.

Mr. Holland asked if the new internet service will have an impact on the County's school system and the libraries. Mr. Rowe said the provider is working with the County to ensure the County realizes its goals with regard to the project. There are contracts with other providers as well, which will allow County staff to be able to ensure that schools and libraries will have internet access that will rival any in the larger jurisdictions. The process to switch telephone service to voice-over-internet has begun in County buildings. He said the full impact of the project won't be known until the service is up and running. Mr. Bussing added that a fiber pilot program has been implemented in a small industrial site and has already stimulated investment which will, in turn, generate revenue for the County.

Ms. Jacocks added that the community college system was also included and will benefit by being able to offer online learning. Mr. Rowe said the County's goal for the Ruthville Recreation Center is to make it a long distance learning center as well as a recreation center.

V. OTHER BUSINESS

Chairman Williams asked if there were other items to bring before members for discussion. No additional items were identified. He announced that Chesterfield County will be providing a presentation during the November meeting.

VI. ADJOURNMENT

As there was no additional business to bring before the Board, Chairman Williams adjourned the meeting at approximately 10:00 a.m.

Barbara V. Jacocks
Interim Executive Director

David T. Williams
Chairman