



Albemarle Broadband Authority “ABBA”

Formed by the County of Albemarle, VA Board of Supervisors

Broadband Status Report **1st Quarter CY2019**

March 30, 2019

ABBA is pleased to present the 1st Quarter Broadband Status Report for calendar year 2019 (January 1, 2019 through March 30, 2019) to the County of Albemarle, VA Board of Supervisors. This report provides summary level information on all activities underway by ABBA. The highlight of this report is the notice of broadband grant funding in the amount of \$301,748 as a result of ABBA submitting 3 applications for Virginia Telecommunication Initiative (VATI) grants in December 2018. This funding is in support of a project submitted for the Midway section of Albemarle County.

ABBA worked on two major projects in the months of January, February, and March 2019. The first project included updates to the operating procedures and membership of the ABBA Board of Directors. With the guidance of the County legal team:

- ABBA approved establishment of a FOIA officer, James Douglas, and adopted the ABBA FOIA Rights and Responsibilities.
- ABBA renewed its Insurance Coverage through VACorp.
- Working collaboratively with the Clerks’ office, ABBA advertised a Board of Director position, identified and interviewed candidates, and submitted a recommendation to the Board of Supervisors.
- On March 6, 2019 the Board of Supervisors reviewed the ABBA recommendation and appointed Waldo Jaquith to the ABBA Board of Directors.
- Waldo Jaquith attended his first ABBA meeting on March 27, 2019.

The second project is the ongoing monitoring of funding sources. During the 1st Quarter of CY2019 ABBA monitored several state activities:

- House Bill 2141 (HB 2141) passage. HB 2141 allows use of service districts, when contracting with a broadband provider, for expanding broadband in areas where 1) download speeds of 10 Mbps or more, or upload speeds of 1 Mbps or more, are not generally available, or 2) less than 10 percent of residential and commercial units can receive broadband service.
- House Bill 2691 (HB 2691) passage. HB 2691 requires the “State Corporation Commission to establish pilot programs under which Dominion Energy and Appalachian Power may submit a petition to provide or make available broadband capacity to nongovernmental Internet service providers in areas of the Commonwealth that are unserved by broadband. The costs of Dominion Power and Appalachian Power's proposals are each capped at \$60 million annually. The provision of such broadband capacity is declared to be in the public interest. The measure authorizes the utilities to recover the net costs of the pilot program from customers through a rate adjustment clause. The measure authorizes such utility to own or lease broadband capacity equipment. The measure requires the Commission to conduct proceedings to determine whether an area is unserved by broadband.” ABBA continued conversations with Appalachian Power during the HB 2691 processing.

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- Virginia Telecommunication Initiative (VATI)
 - The State FY 2020 budget passed with an increase of \$15 million in FY20 for VATI to accelerate broadband deployment in unserved areas of the state, for a total of \$19 million available next year. It also provides additional dollars in FY20 for staff to administer the program.
 - On March 29, 2019 the Governor’s office announced that ABBA with its VATI partner Central Virginia Electrical Cooperative is offered \$301,748 in Broadband Grant Funding for a CY2019/2020 project in the Midway section of Albemarle County.

These funding opportunities were discussed in ABBA meetings and contacts made with state representatives during this reporting period.

Plans for Next Quarter

Preliminary planning for an ABBA project in collaboration with Central Virginia Electrical Cooperative (CVEC), the Economic Development Authority, and the County Finance Department will be started during May 2019. This team will be responsible for developing the processes for managing a broadband fiber project for CVEC members in Albemarle County. CVEC is scheduled to present an update during the April 24, 2019 ABBA meeting.

Staff plans to work on the development of a process flow documenting how the signed tax grant agreement for broadband services provided by CVEC will be managed. The process flow will contain definitions of roles and responsibilities and detail how the tax grant funding is to be applied.

This project intends to deliver fiber broadband services to over 3400 locations in Albemarle in the next 5 years; with the potential to be 50% complete before April 2020. The project will be activated substation by substation as depicted in Figure 1 CVEC / Albemarle Substations. The 2nd Quarter ABBA Broadband Report will highlight progress on this project.

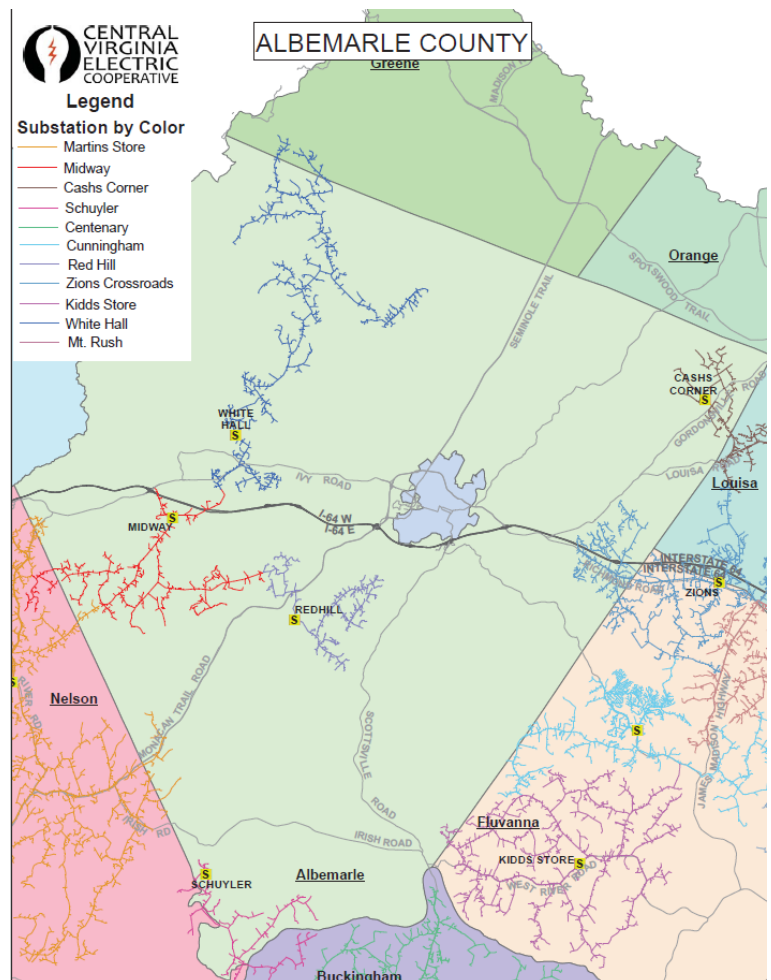


Figure 1 CVEC / Albemarle Substations

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Staff continues work on the required documentation to accept the VATI broadband grant funds of \$301,748 identified for the CVEC / Midway Project as depicted in Figure 2 ABBA CVEC VATI Midway. This funding augments \$71,500 in ABBA funding offered as a contribution to the project. This work for the next quarter includes several meetings with VATI representatives, meetings with CVEC, and meetings with the County Procurement office. The work product to include:

- Signed VATI contract between the Virginia Department of Housing and Community Development (DHCD) and ABBA
- Signed contract between ABBA and CVEC
- Broadband Grant Funds transferred from DHCD to ABBA
- Obtain Approval as Sole Source Procurement for the CVEC VATI Contract
- Announcement of ABBA CVEC Project for Midway

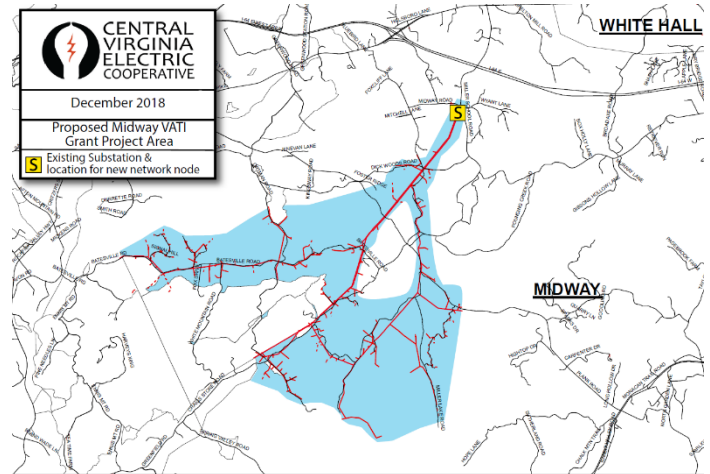


Figure 2 ABBA CVEC VATI Midway

ABBA will consider methods of addressing broadband service needs for the 2 other VATI applications submitted but not offered funds. These applications were submitted with CenturyLink as a partner and included the Howardsville and Green Creek Road areas of Southern Albemarle County.

New efforts to be started in the 2nd Quarter of calendar year 2019 include a proposal to update the way ABBA collects broadband information from citizens and businesses in the rural areas; as well as setting up meetings with Internet Service Providers such as Ting, Comcast, CenturyLink, Lumos, Shentel, and others.

We hope you continue to find this broadband report useful and informative.