

Virginia: At the regular work session meeting of the Essex County Board of Supervisors held on Tuesday, August 16, 2022, at 5:00 p.m. in the School Board Meeting Room, at 109 S. Cross St., Tappahannock, Virginia:

Board of Supervisors Present: Robert Akers, Jr., Chairman
 Ronnie G. Gill, Vice Chairman
 John C. Magruder, Supervisor
 Edwin E. Smith, Jr., Supervisor
 Sidney N. Johnson, Supervisor

County Administration Present: Michael Lombardo, County Administrator
 April Rounds, Assistant County Administrator, Deputy Clerk

CALL TO ORDER

Chairman Akers called the Regular Board of Supervisors Work Session of August 17, 2022, to order.

ROLL CALL

The Deputy Clerk called out the roll for the Board of Supervisors; a quorum was met. Chairman Akers, Supervisors Johnson, Magruder and Smith present with Vice Chairman Gill arriving on 5:55 PM.

AGENDA

No changes.

DISCUSSION

Broadband Funding

County Administrator Lombardo brought Rob Hodges up to discuss the broadband funding. To update on where we are with the broadband. The grant is due on the 25th of August.

Mr. Hodges stated they have been working with three different providers for the 2023 Grant application. We asked them to provide what their total cost would be as well as what their contribution would be. One provider has dropped out as the cost would be too high for this year for where they would need to bring the fiber into the county from. One provider did not provide an option as to how they were going to do it. Mr. Hodges recommends going with Breezeline again. If everything stays the same then the cost for the universal broadband is just under \$28,000,000. Breezeline has proposed to provide roughly 54% of that cost which is just over \$15,000,000. Essex County will provide roughly a 9% match of around \$2,500,000 and we will be asking just over \$10,000,000 which is about 37% in the Grant application. Last year we asked for 80% in the grant and this year we are only asking for 37%. This will bring the cost per passing to below \$3000 where as last year the cost per passing was around \$7,500. The cut line last year was around \$5,500. Roughly 60% of the county does not have access to broadband. The more contribution that the county makes the less the overall will be.

County Administrator Lombardo asked if there were any questions so far?

Supervisor Magruder asked when you talk about overall project cost is that the only thing the people would have to do for their house is to get a box? Mr. Hodges stated that is correct. He said when we are successful that everyone should just say yes even if they don't want broadband so that it is installed in each house. Supervisor Magruder followed by asking that 60% of the county does not have broadband or less than the 25/3, This project would just be to get broadband to the 60% that does not have access? Mr. Hodges stated that it would equate to 425 miles of fiber in the county. Supervisor Magruder is wanting to make sure that if you already have broadband this does not make a difference you at all but if you do not have broadband this is your ticket. Mr. Hodges said that is correct. County Administrator Lombardo stated this is for the underdeveloped and underserved.

Supervisor Smith asked if the \$28,000,000 is the final figure? County Administrator Lombardo said that is what they proposed and that is what we will use on the grant is the total project cost and the breakdown of the cost.

Chairman Akers asked about Verizon and what their cost was? Mr. Hodges stated that they were at \$7,500 per passing and \$35,000,000 for the project cost because they would have to run fiber from 3 central locations to get to county. County Administrator Lombardo stated that they have talked to other county's that will be working with Breezeline so there will not be a regional application. He feels that this will make us a little more competitive this year.

Supervisor Johnson asked that with the \$28,000,000 that if anyone in the county does not have broadband, they will have the opportunity to get it through this regardless of where they are in the county? Mr. Hodges stated yes, where there is not service now there will be access.

County Administrator Lombardo wanted to get into the funding aspect so they can put a number into the application. The \$2,100,000 that we have left in the ARPA fund, He reached out to Dr. Thomas to see what their commitment would be. Dr. Thomas asked how much the County was looking for. County Administrator Lombardo said at least \$500,000 and has not heard back. That would give us the cost per passing of \$2,906.98.

Supervisor Johnson mentioned that the board had talked about pulling some from the reserve fund in addition to the \$2,100,000. County Administrator Lombardo feels that \$2,900 per passing is reasonable. With the adjustment made from 25/3 to 100/20 means that anyone who received a grant can have another take at it. If we add additional funding drives down the cost per passing and they may look more favorable on us where the state would be able to stretch their dollar more. If we increase our contribution just by \$500,000 to \$3,000,000 it would drop the cost per passing to \$2,765. If we added \$2,000,000 above what we know the county has and anticipate what the school has it will drive the cost per passing to \$2,339. We can't say that if we can drive it down to 'X' we would be in the mix. But are we willing to contribute more to drive down the cost per passing to make it a stronger application.

Supervisor Johnson said if in return we are getting \$15,000,000 and we are contributing \$4,000,000 he is in favor. County Administrator Lombardo said that Breezeline is contributing \$15,000,000 that is what they have committed to. We know the total cost of the project is \$27,866,950 based on the projections. We are asking for the remainder from the state. Chairman Akers stated that even though we put in the \$4,000,000 it doesn't mean we are guaranteed that we would score any better. He would rather use the ARPA fund and not the reserve fund and put pressure on the schools to help support since that will help with them as well.

Supervisor Johnson stated that we have been fighting trying to get broadband as long as he has been on the board and we should be fully invested to the full extent that we can. He feels we should give it our best shot to get the broadband. Chairman Akers stated that we could take out a bond and pay for the whole thing ourselves but would go into debt doing so. County Administrator Lombardo that the \$2,000,000 bond over a 10-15 years would be about 165,000 over 15 years. If we would be interested in borrowing more money I would say look at a 10-12 year. Chairman Akers stated that it would guarantee a raise in taxes.

Supervisor Smith agrees with Chairman Akers that an additional \$2,000,000 to only take off \$700 of the cost per passing is not a good investment but he also agrees with Supervisor Johnson that if it is the best shot to go up to hopefully get the grant to cover the rest. We don't know if we would even get the grant. If we don't we haven't lost anything but if we do then we have gained 100% coverage of the county down the road. He is in favor of doing \$2,000,000 from the reserve and not borrowing it at \$200,000 per year.

Supervisor Magruder stated that it is a shame that no one else will work with us from other regions. He also stated that there would be some competition with the other grant recipients that can reapply. He asked if there were any other grants we could apply for. Mr. Hodges stated that you can double up on grants. The money that got passed from the federal government won't be released until the 2024 grant cycle due to the coverage maps not being available. Supervisor Magruder also asked how the 60% that are underserved plays into the equation of ranking. Mr. Hodges said that scoring is more arbitrary. The two big things will be if you are 25/3 or less and the cost per passing. Supervisor Magruder asked if the other counties that did not receive the grant if they had lowered the cost of passing. County Administrator Lombardo said he has not reached out to the other counties since they were not wanting to work with us. Supervisor Magruder stated that its just a gamble on whether we get the grant. He asked if they had considered asking the school for more money from their ARPA fund? County Administrator Lombardo said that Dr. Thomas was going to have to look into it and ask the school board for the money.

Supervisor Johnson asked if any of the other counties give a reason as to why they were not willing to work with Breezeline? Mr. Hodges stated that they were using other options. Supervisor Smith asked whether we would be getting 25/3 or the 100/20. Mr. Hodges stated that the minimum service that would be offered is 100/20. Chairman Akers stated that if we believe that \$600 would guarantee the grant? Supervisor Magruder asked if we take out \$2,000,000 when is the money supposed to start flowing? County Administrator Lombardo stated that the project has to be completed in 3 years. The additional bonding could come in the later half. It could be the third year or beyond. Chairman Akers asked if there were other counties in the past that put in significant money? Mr. Hodges stated that he believes that there were counties that put in more than the minimum match. The minimum match last year was a 20% match. Supervisor Magruder asked if there was going to be a contingency or escalated cost or is it just what they are committing to. County Administrator Lombardo stated that the \$28,000,000 is what Breezeline is committing to the State and it would be no more than that.

Supervisor Magruder feels that a looking long term if we have other projects in mind for future needs that we should compromise and do an additional \$1,000,000 to keep our debt down. Chairman Akers thinks 10% is a good county show. County Administrator Lombardo stated that he presented this just to make sure that we get this done this year. But he is not sure that it is a guarantee. Supervisor Magruder stated that Mr. Hodges had say there is more money coming if it doesn't happen this year. Supervisor

Johnson stated that he has been asked what the county is doing about Broadband. He feels that we need to give it the best shot at \$4,000,000. Chairman Akers stated that we could borrow more money to give it our best shot but it comes at a cost to what the tax burden is on our citizens.

Supervisor Johnson stated that we could get the money out of reserves. County Administrator Lombardo stated that this would be bonded and debted it would not come from the reserves as we have other Capital Improvements. Supervisor Johnson stated that broadband should be number one priority. County Administrator Lombardo would not recommend putting more than \$500,000 from reserves on this project. He does not feel we should deplete our reserves.

There was a lengthy discussion as to the funding of the additional fund for the grant. Chairman Akers is at \$2,800,000. Supervisor Johnson and Supervisor Smith are at \$4,000,000 and Supervisor Magruder is at \$3,500,000.

Supervisor Gill arrived at the meeting.

Supervisor Gill feels this is the most important decision that we will make. He feels that we need to put it all out there and is at \$4,000,000. He also asked if we could apply for retroactive grant and use it towards the bond. County Administrator Lombardo said we would apply for whatever we can.

Boundary Line Adjustment

County Administrator Lombardo did not request to meet on this as he is still working on this. He has provided a map to Tommy and Kelly last week. He has also talked with Sharon from King and Queen that she would get it before their board but was not sure where it would go. There was a request made of Michael that if Essex County provided all of the cost then they would probably be willing to do that. But there was some speculation on that. There were some of their board members that said if they are in King and Queen then why aren't the taxes going to King and Queen. It is uncertain as to what is the right boundary there. There is a handful of properties that the deed is recorded in Essex and they pay Essex County tax. There is no evidence that says there was a change. It is really a voting issue not a taxing issue. They have reached out to King and Queen to try to get the staff to meet but it has come with they are not interested in a Boundary line adjustment.

Supervisor Johnson stated that he has asked Tommy as to what actually exists for the boundary of Essex, Middlesex and King and Queen. Tommy has done research for properties that are deeded for taxpayers in Essex and in King and Queen.

There was a discussion between Supervisor Johnson and County Administrator Lombardo on responsibilities.

Chairman Akers called the meeting back to order.

Chairman Akers stated that Administrator Lombardo is working with the staff in King and Queen. He asked Supervisor Johnson if he had been in contact with the Chairman of King and Queen? Hearing no response he took that as a no. Chairman Akers said the right response if for our County Administrator to work with King and Queen's County Administrator to get it on their agenda.

Supervisor Johnson is wanting some communication for the Islam's so they know what is being done. Chairman Akers suggested that the Islam's go before the King and Queen Board. The Islam's were redistricted during Covid. The Islam's stated that they want to be able to vote in Essex as that is where

there house is deeded. They stated that they have been told that to move forward King and Queen is willing to work with Essex but they do not want to have to pay for it.

Supervisor Magruder stated that the Fed's are the ones that redid the voting district and we cannot control that. If King and Queen can agree that they are willing to work with us to get this done then we can look at the cost to decide how to pay for it. County Administrator Lombardo stated that he has talked with them but they are not interested in helping. We just need them to agree to the coordinates and we can work towards fixing this. Mrs. Islam stated she will attend the next King and Queen meeting to find out why they are not being cooperative. County Administrator Lombardo said he would provide the Islam's with all of the contacts he has had with King and Queen.

Chairman Akers said we would leave this open until the next meeting so that we can get an update to find out what King and Queen is willing to do. The board has determined they will support County Administrator in what he needs to get with King and Queen.

Chairman Akers is requesting that the board draft a letter to King and Queen to demand a response and to get it onto their agenda. County Administrator Lombardo requested that they allow him the time to get their staff to the table to discuss the scope of the project.

Supervisor Magruder asked why we are looking at a survey as to just the GIS? County Administrator Lombardo stated there is more than one property and we would like them to take care of all of them.

ADJOURN

Having no further discussion, Chairman Akers adjourned the Work Session meeting of the Board of Supervisors.

Chairman

Clerk of the Board