

**WSA BOARD / BOARD OF SUPERVISORS
LIAISON COMMITTEE MEETING
December 11, 2018
MEETING MINUTES**

The meeting was called to order at 10:30 a.m. at the Fauquier County Water and Sanitation Authority Conference Room, 7172 Kennedy Road, Warrenton, Virginia.

Present:

Board of Supervisors (BOS):

Richard Gerhardt	Member
R. Holder Trumbo Jr.	Member

Authority Board:

Michael J. Focazio	Chairman
William Downey	Vice-Chairman

County Staff:

Paul McCulla	County Administrator
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WSA Staff:

Benjamin R. Shoemaker	Executive Director
Cheryl St. Amant	Assistant Executive Director
Ck Chan	Executive Assistant & Clerk to the Board

Guests:

Hank Day	Authority's Local Counsel
Julie Bolthouse	Piedmont Environmental Council Representative

1. Mr. Focazio called the meeting to order.

2. Approval of Agenda:

Without objection, the Agenda was approved as published.

3. Approval of the Minutes:

On motion by Mr. Gerhardt and **seconded** by Mr. Focazio, the 18 September 2018 Minutes were approved as published.

4. Use of WSA Assets for Broadband Deployment:

Mr. Shoemaker indicated the need to better understand the role of the Broadband Authority with respect to an individual provider, and any impact of the Oct 23, 2018 FCC regulatory changes concerning potential auction of spectrum at county-level in lieu of by census block.

Mr. Gerhardt indicated that there will be a meeting on Thursday, December 13th, where two (2) vendors will likely be selected, and it would be ideal if these vendors could incorporate WSA assets into their design phase proposals. The county is looking at existing towers and key locations.

Mr. Gerhardt indicated that some of the affected residents may not like the towers or service may/may not work for them, however, DSL certainly has its disadvantages in terms of speed and certainly as a country moving forward with broadband technology. He stressed that anything that is to be done at this time will be undertaken by the Board of Supervisors with WSA. He added that he does not anticipate WSA to be entangled with the Broadband Authority, and if any at all, such will be handled by the members of the Board of Supervisors.

Mr. McCulla indicated that he envisioned a list of WSA assets, which would include the rights to sublease to Broadband providers, taking into consideration that they will not interfere with any WSA priorities or needs.

Mr. Gerhardt stressed that he has constituents in dire need for services and they would benefit through something deployed on WSA assets. He added that the Board has the choice of riding piggy back on new developmental structures, to find existing structures such as through Milestone or other tower development companies such as Crown Castle. In the alternative, he added, the best bet is to have the Board working with WSA on available assets at the targeted areas. He indicated the availabilities at Catlett and Casanova. Mr. McCulla indicated that the difference between other providers and the current provider is the latter's need of line of sight and being the only provider, their availability and services leave much to be desired.

Mr. Downey would like to know in the short term, how WSA can assist the County and the Board of Supervisors in the identification of WSA assets that can be used. In response, Mr. Gerhardt identified two (2) such assets – the water towers at Marshall (17/66) and Catlett.

Mr. Gerhardt indicated that should WSA provide the approval of the towers for usage, the Board can have a set of programs initiated and the selected vendors will have them up and running between 2-3 months. He added that the Board is basically looking for two (2)

vendors – one will be for the last mile of the process and the other will put down the fiber optics spine.

Mr. Gerhardt stated that the initial phase can be challenging and asked WSA's patience since everything will be at a piecemeal basis. He added that the Board must ascertain the opportunities, the adoption of rates, and come up with models that are sustainable. It may be necessary to look at the finer details later.

Mr. Shoemaker indicated that it may be difficult to attract competitive carriers, without having an existing carrier that could demonstrate the generation of some revenue. He added that the Board of Supervisors is apparently subsidizing a carrier at this time on a trial basis for them to deploy and show that there is a possibility of positive income in the long run by attracting more customers.

Mr. Gerhardt indicated that attracting more customers would be the goal, but at this time the Board is looking at getting a solid vendor to deliver broadband even if it is known to have been subsidized by the County. He opined that at the end of the day many constituents are more than comfortable placing their tax dollars towards this endeavor. He added that the Board is looking to incentivize vendors who can come up with sustainable business models, basically in areas where in the long run, the numbers will add up.

Mr. Focazio inquired on the timeline of the process. In response, Mr. Gerhardt indicated that a decision will be made on Thursday, December 13, as to which vendors have been selected and within 45-60 days out, the selected vendor will come up with the full design. Mr. Gerhardt reminded that the 45-60 days is just an estimated timeline. He added that the Board must be sure that the process will run parallel on course with everything else.

Mr. Day inquired if the Board had a consultant working on the electrical engineering side as he highly recommended for one to be hired. Mr. McCulla indicated that the Board had been working with Atlantic Commonwealth. Mr. Day added that from his previous experience, hiring a consultant would be beneficial. He added from a previous encounter, the entire industry realized that the lessor knew what they were doing. Mr. Day added that it is possible to monetize the water towers, but the maintenance cost must be taken into consideration. There is a need to defray cost to WSA. Mr. Day also indicated his concern granting exclusivity right to a single entity the use of WSA owned towers/assets. Mr. Gerhardt agreed with Mr. Day's concerns.

In response to Mr. Shoemaker's inquiry, Mr. Gerhardt indicated that the County does not have any relationships with other counties with Broadband Authorities.

In response to Mr. Shoemaker's inquiry if there is a need for special exception (SE) process, Mr. McCulla indicated that from his understanding, existing towers will not require a SE process. Mr. Shoemaker indicated that should the towers be leased out, the lease agreements must indicate clearly that the parties have all the necessary FCC approvals, operating at the frequency ranges, and if necessary, the SE process approval.

Mr. McCulla indicated that in general, all state, federal and local requirements, conformance and provisions will be built into the lease agreements.

5. WSA Strategic Plan

Mr. Focazio updated the Committee on the Strategic Planning process that WSA has decided to move forward. He added that Mr. Dragisich and Mr. Anzivino, from Springsted, who were in attendance, will be reaching out to the Board of Supervisors at a later day.

Mr. Anzivino indicated that WSA decided to move forward in late November 2018 on the Strategic Plan process. Springsted had started gathering information, reviewing plans, documentation and interviewing staff members and Board members. He added the current day will be the first full session with the Board of Directors. He would like Mr. Shoemaker to coordinate the scheduling of individual meetings with the Board of Supervisors, sometime in January 2019, which will be at the convenience of the Board of Supervisors. The objectives are to gather some insights from the Board of Supervisors regarding WSA moving forward. Mr. Anzivino indicated that from the discussions earlier, it appeared that there are intentions from the Board of Directors of WSA to develop a stronger partnership with the Board of Supervisors and for a better understanding of their mission, goals, and vision.

Mr. Anzivino indicated that the strategic planning process will continue through December 2018 and January 2019. He added that the plan is to have the first stage completed by March 2019 and for the Authority to consider and to adopt same. He added that it is the intent to include the strategic initiatives into the Authority's budget process.

Mr. Anzivino continued that the second phase will be towards the service districts and investments that need to be made and how to align them with WSA strategic plan.

Mr. Shoemaker reiterated that the Authority will be focusing on the two (2) phases. The first is to engage the Board of Supervisors and holistically looking at mission, vision, and values across WSA. The second phase will be to engage at the local levels and individual magisterial and service districts' needs. WSA hopes to reengage the specific member of the Board of Supervisors for those service districts and to collaborate on their needs.

Mr. Focazio indicated that WSA is working at building a better partnership with the Board of Supervisors and the earlier discussed Broadband matter was a very good exercise and certainly set the stage for future partnerships. He added that while WSA manages its Capital Improvement Plans, there is a need to look at its assets and liabilities, and managing its resources, such as water and wastewater, under the pressures from the politics and thus the directional emphasis of projects. Mr. Focazio indicated that the inevitable political pressures and the reality of resource management can be competing, and he hoped that the strategic initiatives will provide resolve towards more open,

transparent and objective directions, with the Board of Supervisors' involvement on same.

Mr. Gerhardt indicated that the strategic plan that WSA is embarking sounds refreshing.

6. Meeting with Jaime Emery Re: Water Resource Protection:

Mr. McCulla informed the Committee that the County has engaged the services of Mr. Jaime Emery to begin the process of identifying water protection. It will be the direction on how the County will proceed, how to identify the aquifers, how to protect the aquifers and where the project will begin. He added that the first step is to set up a priority list on which service districts to begin the process. The plan is to seek Mr. Emery's recommendations and to present same to the Liaison Committee. Mr. McCulla indicated that he is working with Mr. Shoemaker and Mr. Emery to locate a good date to meet on same.

Mr. Focazio indicated that the water resource protection matter could be a typical example of how managing resource and satisfaction of political pressures will take place. He added that he will be very interested in the recommendations by Mr. Emery.

Mr. McCulla indicated that depending on the recommendations by Mr. Emery, once the aquifers have been identified, the protection process can start from a non-regulatory standpoint of dissemination of simple pamphlets to customers or to the identification of overlay districts and recharging zones. In response to Mr. Downey, Mr. McCulla indicated that with Mr. Emery's recommendations, the matter will run through the political process, as indicated earlier by Mr. Focazio. He added that the outcome will define how far the County is willing to go with water resource protection. He added that it may be a complete reversal of past concepts and that political impact will certainly be a factor. He added that discussions from both boards, either separately or jointly, would be important. Mr. McCulla indicated that he may request an earlier Liaison Committee meeting to discuss the matter as opposed to the quarterly scheduled meeting.

Mr. Focazio inquired if Jaime Emery's recommendations would be vetted before they are presented to the Liaison Committee. Mr. McCulla indicated there will likely be some written materials available to the Liaison Committee before the scheduled meeting.

7. Next Meeting:

Mr. Gerhardt suggested next meeting to be held on March 19, 2019, however a meeting could be scheduled earlier depending on outcomes of various scheduled and proposed meetings.

8. Adjourn:

Without objection, the meeting was adjourned at 11:15 a.m.