

VIRGINIA: A REGULAR MEETING OF THE SURRY COUNTY BOARD OF SUPERVISORS HELD IN THE GENERAL DISTRICT COURTROOM OF THE COUNTY GOVERNMENT CENTER ON JULY 1, 2010 AT 7:00 P.M.

PRESENT: SUPERVISOR REGINALD O. HARRISON, CHAIRMAN  
SUPERVISOR JOHN M. SEWARD, VICE-CHAIRMAN  
SUPERVISOR ERNEST L. BLOUNT  
SUPERVISOR JUDY S. LYTTLE

ABSENT: SUPERVISOR M. SHERLOCK HOLMES

ALSO

PRESENT: MR. TYRONE W. FRANKLIN, COUNTY ADMINISTRATOR  
MR. JEFF GORE, HEFTY & WILEY, COUNTY ATTORNEY  
MR. JOHN B. EDWARDS, ASSISTANT COUNTY ADMINISTRATOR  
MRS. VALERIE PIERCE, DIRECTOR OF SOCIAL SERVICES  
MS. RHONDA R. MACK, COMMUNITY DEVELOPMENT DIRECTOR  
MR. LLOYD HAMLIN, SUPERINDENDENT, SURRY COUNTY PUBLIC SCHOOLS  
SHERIFF ALVIN CLAYTON  
MR. STACEY WILLIAMS, BUILDING OFFICIAL

**CALL TO ORDER/MOMENT OF SILENCE/PLEDGE OF ALLEGIANCE**

The meeting was called to order by Chairman, Reginald Harrison. Mr. Harrison asked for a moment of silence. Following the moment of silence, he asked the citizens to stand and say the pledge of allegiance.

**CONSENT ITEMS**

1. Approval of June 3, 2010 Minutes
2. Approval of June 17, 2010 Minutes
3. Approval of July, 2010 Accounts Payable  
(Represents the month of June, FY 09-10)

	Accounts Payable	Additional	Total
General Fund	\$96,279.32	\$68,806.88	\$165,086.20
Debt Service	\$0.00	\$0.00	\$0.00
Capital	\$74,933.50	\$839.85	\$75,773.35
Water & Sewer	\$3,212.81	\$47.09	\$3,259.90
Indoor Plumbing	\$0.00	\$0.00	\$0.00
Totals	\$174,425.63	\$69,693.82	\$244,119.45

(Represents the month of July, FY 10-11)

	Accounts Payable	Additional	Total
General Fund	\$145,577.82		\$145,577.82
Debt Service	\$167,837.50		\$167,837.50
Capital	\$48,675.00		\$48,675.00
Water & Sewer	\$0.00		\$0.00
Indoor Plumbing	\$0.00		\$0.00
Totals	\$362,090.32		\$362,090.32

4. Appropriation Requests

School System - July 2010	\$1,230,448.00
Dept. of Social Serv. - July 2010	\$150,000.00

5. General Fund Appropriation Requests (First Quarter)

General	
Government	\$2,233,366.75
Special Funds	\$221,660.00
Debt Service	\$1,000,000.00
Water & Sewer	\$75,000.00
Capital Projects	\$690,000.00
<b>TOTAL</b>	<b>\$4,220,026.75</b>

6. School System Budget Request – To reflect the value of the commodities from USDA in the amount of **\$40,630.00** and appropriate the funds for expenditure.

7. FY 10-11 Budget Amendments – (a) Amendment of **\$10,656.00** in the local revenue received from patrons for fees associated with trips sponsored by the Surry County Department of Parks and Recreation and appropriates the funds for spending. Also, provides for the addition of additional trip revenue received prior to June 30, 2010.

(b) Amendment of **\$33,347.78** in federal stimulus funds to the FY 10-11 Office on Youth Budget and appropriates the funds for expenditure.

8. FY 09-10 – Capital Projects Appropriations for FY 10-11 to appropriate capital balances at June 30, 2010 to the FY 10-11 budget in the amount of **\$148,564.26** for the Public Safety Equipment Project and **\$255,308.87** for the High School renovation Project.

Supervisor Seward made a motion that the Board approve all Consent Items as enumerated. Supervisor Lyttle seconded the motion; Supervisors Harrison, Blount, Seward and Lyttle voted affirmatively.

## PROGRESS REPORTS

### 1. VDOT

There was no representative from VDOT in attendance. Mr. Tyrone Franklin, County Administrator, stated that he had requested Mr. Todd Halacy, VDOT Williamsburg Residency, to be present at the Board's August meeting. He also discussed concerns regarding the resurfacing of Route 10 in the County and suggested that the process of resurfacing may take several weeks to complete.

### 2. Treasurer

A. INVESTMENT LETTER: Chairman Reginald Harrison read the investment letter submitted by Mary H. Shaw, Treasurer. He stated that as of June 3, 2010 the county had \$9,773,433.45 in the LGIP Fund. As of May, 2010, interest had accrued in the amount of \$2,059.82 increasing that balance to \$9,775,493.27. On June 14, 2010 the county transferred \$500,000.00 from LGIP to the General Fund, leaving a balance of \$9,275,493.27 in the Local Government Investment Pool. On June 19, 2010 the \$2,000,000.00 Certificate of Deposit matured and was redeemed in the amount of \$2,007,529.25 and was transferred to the General Fund to cover June's expenditures. Chairman Harrison stated that as of July 1, 2010, the county had \$9,275,493.27 in total investments.

### 3. County Administrator

Prior to addressing the items on the agenda, Mr. Franklin announced the awarding of grant funds for the implementation of broadband within the County. Ms. Rhonda Mack, Director of Planning and Development, addressed the Board further informing them of the grant award and publicly expressing appreciation to the Board and to Mr. Sam Edwards, a private business partner, for their support. Ms. Mack outlined the next few steps in the process of broadband implementation for the Board and audience present and concluded by stating that the County anticipated beginning construction in April 2011 and hoped to offer service by December of 2011. Mr. Franklin expressed appreciation to Ms. Mack, her staff and Mrs. Melissa Rollins for their combined efforts to introduce broadband in the County.

***A link is provided to the Governor's press release.***

***<http://www.governor.virginia.gov/news/viewRelease.cfm?id=212>***

A. Mr. Michael Faulk, Natural Resources Conservation Service, addressed the Board for the purpose of presenting the Soil Survey conducted in Surry County. Each Board member was provided with a copy of the completed study and pamphlets were provided for citizens in attendance to aid them in accessing the study via the internet. Mr. Faulk stated that the Soil Survey could be utilized in conjunction with the County's GIS capabilities to further enhance decisions affecting land use. ***(A complete copy of the Soil Survey of Surry County, Virginia is available in the County Administrator's office.)***

B. Mr. Mike Gregory, Buggs Island Telephone Cooperative, addressed the Board with regard to the approximately \$24 million in grant funding that has been awarded to the Cooperative for the implementation of broadband in central Virginia. He stated that Surry County falls within the area encompassing fifteen counties, over 285,000 individuals, and over 100,000 businesses that they expect to service. Mr. Gregory explained that the project would be completed in several phases and expressed a desire to partner with Surry County and the Mid-Atlantic Broadband Cooperative to provide broadband to all residents of Surry County. He further reported that BIT expected to offer affordable service ranging from approximately \$30-\$60 per month, depending upon the consumer's needs. The proximity of television stations in the Hampton Roads area may create issues with some service, Mr. Gregory suggested, but he projected that the County would become more appealing to business and industry as broadband became available in the County. ***(A copy of the Buggs Island Telephone Cooperative Executive Summary is included as an integral component of these minutes.)***

C. Mr. Lloyd Hamlin, Division Superintendent of Surry County Public Schools, addressed the Board in regard to several budgetary requests from the School Board. He reviewed correspondence sent on June 24, 2010 to the Board from his office outlining the specifics of each of three requests.

The first request was to carryover budgetary surplus from FY 09-10 to FY 10-11 for a one-time expenditure; the amount of the carry-over being subject to audit. Following a brief discussion, Supervisor Seward made a motion that the Board authorize the carry-over of surplus funds from FY 09-10 to FY 10-11 for use as a one-time expenditure. Supervisor Blount seconded the motion; Supervisors Harrison, Lyttle, Seward and Blount all voted in support of the motion.

The School Board's second request was for "lump sum" funding as opposed to categorical funding. Supervisor Lyttle reminded the Board that similar requests by Department heads had been made in the past, but never approved; although, she stated that the Board may be more inclined to allow this type of funding in light of the financial climate and the excellent working relationship between the Board of Supervisors and the School Board.

Supervisor Seward agreed with Mrs. Lyttle; however, he suggested that the Board delay action until all members were present. After some discussion, Chairman Harrison added that further consideration may be necessary and agreed with Mr. Seward that action should include the full Board.

The third request from the School Board regards the \$300,000.00 carry-over from FY 09-10 which the School Board proposes to use as a one-time 3% bonus to FY 09-10 teaching staff. Following brief discussion, Supervisor Lyttle made a motion that the Board allow the above referenced funds be used for a one-time 3% bonus to FY 09-10 teaching staff. Supervisor Seward

seconded the motion; Supervisors Harrison, Blount, Seward and Lyttle all voted affirmatively.

Chairman Harrison reassured Mr. Hamlin that the Board would re-consider his second request at the August meeting.

D. Mr. Franklin called the Board's attention to the proposed FY 10-11 Fire Programs Fund Disbursement Agreement. This agreement provides the conditions for County receipt and distribution of funds received from the State under the Fire Programs Fund. It also requires the County to submit a report to the State showing how the funds were spent by each of the fire departments (Surry, Dendron and Claremont Volunteer Fire Departments).

Supervisor Blount made a motion that the Board authorize execution of the FY 10-11 Fire Programs Fund Disbursement Agreement. The motion was seconded by Supervisor Seward; Supervisors Harrison, Lyttle, Blount and Seward unanimously voted in support of the motion.

E. Mr. Franklin presented correspondence from Mr. Marshall W. Smith, President of John Tyler Community College informing the Board of the resignation of Ms. Shardae Holmes from the JTCC Board. Mr. Smith is requesting that the Board appoint a replacement for the remainder of the unexpired term which ends on June 30, 2011. This item had been tabled at an earlier meeting of the Board due to concerns regarding service required by the appointee. That information having been obtained and reviewed, Supervisor Lyttle suggested that the Board consider Ms. Stephanie Beckett for appointment.

Mrs. Lyttle reported on Ms. Beckett's qualifications and willingness to serve the County in this capacity and then went on to make a motion that the Board appoint Ms. Beckett to the JTCC Board to complete the unexpired term to end on June 30, 2011. Supervisor Seward seconded the motion; Supervisors Harrison, Blount, Lyttle and Seward all voted affirmatively.

F. Mr. Franklin introduced correspondence from Mr. Joseph E. Hubbard, Executive Director of District 19 Community Services Board, requesting the appointment of a new member to replace Dr. Marion Wilkins, who is not eligible for re-appointment, for a term from July 1, 2010 to June 30, 2013. This item had been tabled from an earlier meeting. Supervisor Lyttle had expressed an interest in the appointment and, following further investigation, was deemed eligible by the Board to serve in such a capacity.

Supervisor Blount made a motion that the Board appoint Mrs. Judy Lyttle to serve on the D-19 Community Services Board for a term beginning on July 1, 2010 and ending on June 30, 2013. Supervisor Seward seconded the motion; Supervisors Harrison, Seward, Blount and Lyttle voted in support of the motion.

G. Mr. Franklin addressed the proposed revisions to the County's Annual, Sick and Other Leave Policies; but suggested that the Board delay action on

these revisions until after the Personnel Committee had had an opportunity to meet and review all documentation. The Board agreed to table this item.

## **OLD BUSINESS**

Mr. Franklin reminded the Board that the Planning Commission had requested a joint meeting with the Board of Supervisors, and this had been scheduled for Thursday, July 15, 2010. Mr. Franklin reported that two Board members will not be available for that meeting and respectfully asked the Board to reschedule the joint meeting. After brief discussion, a tentative date of Thursday, August 19, 2010 was set.

## **NEW BUSINESS**

Supervisor Lyttle reported that efforts to provide after-hours library services through the Blackwater Regional Library System had not been successful. She suggested that this is a much needed service and speculated as to whether the Board might be helpful in moving the process of providing these services forward. Mr. Franklin suggested that staff investigate the situation and report back to the Board in August.

Supervisor Lyttle then opened discussion regarding green infrastructure and suggested that the Board consider developing guidelines and recommendations regarding green infrastructure initiatives. She further recommended sending a representative to regional training being conducted.

Mr. Franklin called the Board's attention to a matter previously acted on regarding the closure of the Mantura Road Dumpster site. He reminded the Board that they had averted closure of the site, originally scheduled for April 5, 2010, by extending that deadline for 90 days. However, Mr. Franklin reported that on Wednesday evening, June 30, 2010, a serious situation had developed at the site as six barrels of flammable chemicals had been left at the dumpster site with contents spilled on the ground. Clean-up is ongoing and has involved the fire department, sheriff's department, hazardous materials team, along with County maintenance and sanitation staff. Mr. Edwards, Assistant County Administrator, has been overseeing the clean-up and an investigation into the matter will be conducted until the culprit is found.

In light of this information, Mr. Franklin inquired as to the pleasure of the Board regarding whether or not the site should remain open following the clean-up. Supervisor Lyttle responded by stating that the site was not safe before, but that residents in that area of the County had requested that the site remain open as there was no manned site available close by. As a result of this recent incident, Supervisor Lyttle recommended that the site be closed and made a motion to that effect. Supervisor Seward seconded the motion; Supervisors Harrison, Blount, Lyttle and Seward voted unanimously in support of the motion.

Chairman Harrison inquired as to the progress toward securing property for the proposed manned solid waste station in the Bacon's Castle area. Mr. Franklin reported that the County had examined a potential site and planned on investigating an additional site that may be available.

Supervisor Seward stated that the price of residential trash pick-up in the County is only \$4.00 per week. While that price seems reasonable, Mr. Seward speculated that the County might choose to subsidize residential service as an alternative to building and maintaining a manned solid waste station. Mr. Franklin suggested that staff investigate thoroughly and report back to the Board at a later date.

## **CITIZENS COMMENTS**

Mr. Mike Eggleston (Dendron District) addressed the Board regarding conditions at the Dendron dumpster site and suggested that the County install fencing, lighting and a gate to better control dumping at that site. Mr. Franklin replied that staff could report back to the Board regarding the cost of such improvements to the Dendron dumpster site.

Mr. John Stokes (Surry District) addressed the Board regarding solid waste disposal and expressed concern with regard to having enough sites available so that County residents would not be inconvenienced by having to take waste to the landfill in Sussex County.

## **ADJOURNMENT**

There being no additional matters requiring action by the Board, Supervisor Seward moved that the Board adjourn. Supervisor Blount seconded the motion; Supervisors Harrison, Seward, Lyttle and Blount voted affirmatively.

## **Executive Summary**

The Buggs Island Telephone Cooperative (BIT) seeks to address the opportunity of providing a “last mile solution” with broadband high-speed Internet access on a non-discriminatory basis to the under-served and un-served rural citizens and businesses of Southside Virginia. This comprehensive plan includes the building, operation and maintenance of a fixed broadband and voice communications wireless network in fifteen counties in Southside Virginia. The project has been designed, engineered and is “shovel ready”.

The BIT network will utilize the latest in existing, proven wireless 802.16d WIMAX technology in a fifteen county area where BIT (acquired through the auction process) Federal Communications Commission 700 megahertz spectrum licenses. The wireless licensed area “footprint” covers a population of 299,375 people, and is comprised of approximately 111,462 households 14,500 businesses and 1,600 community anchor institutions. The users of this wireless network will consist of all classes and types of consumers, businesses, community support organizations, public safety entities, churches, libraries, schools, healthcare providers, and institutions of higher learning.

Broadband high speed internet and voice services will be available to 100% of the residents and businesses in the licensed serving area with a minimum of 1.5 mbps of service. This minimum level of service meets and exceeds the FCC’s definition of broadband. Generally, residential subscribers will have the option to upgrade to 3.0 or 4.0 mbps of service and businesses will have the option to upgrade to 3.0, 4.0 or 10 mbps for an additional monthly fee. Subscribers will be charged a flat monthly rate regardless of bandwidth usage, and BIT estimates that the monthly access rates to residential subscribers will be between \$30 and \$60 per month for internet service based on the selected package. Business rates will be between \$40 and \$200 per month based on the selected package. Voice services will include unlimited local and long distance calling plans and will be priced at \$35 per month per line.

BIT will utilize proven 802.16d WIMAX wireless technology with worldwide-accepted engineering standards and equipment provided by AirSpan, an Israel-based company with installations in over 100 countries, including the United States. Airspan is the world’s second largest provider of WIMAX equipment and currently controls 29% of the total WIMAX market. BIT has engineered this network to maximize usage of the facilities and services available from the Mid-Atlantic Broadband Cooperative (regional fiber network), and to take advantage of existing towers where possible. The project plan is based on completion of the network within two years of the issuance of the federal stimulus award. The total overall infrastructure cost of the broadband system is \$23,983,810 and will provide 100% coverage to the entire service area.

BIT's marketing plan relies primarily on BIT-provided customer service and company-owned distribution, however, BIT will offer open access through a wholesale, price-fixed arrangement to providers who are interested in becoming resellers. These entities will have first rights to market and to migrate their existing customers to this upgraded broadband service via the reseller agreement. This reseller relationship meets the open access requirements and adheres to the principles of "net neutrality". BIT intends to fully comply with the nondiscrimination and interconnection obligations outlined in the Broadband Stimulus NOFA and BIT will in good faith negotiate with any provider requesting interconnection with BIT's network. Furthermore, network management practices will not discriminate against any lawful application or service being transported on the network, and will ensure that reasonable network management practices are in place to provide all subscribers with acceptable levels of service. BIT will also comply with all law enforcement requests and ensure compliance with all Federal, State, and Local Government statutes.

Buggs Island Telephone Cooperative, based in Bracey, Virginia (near South Hill) will invest heavily its own resources by meeting the 20% match requirement, building a portion of the network and infrastructure in selected areas of Mecklenburg and Brunswick Counties, and is seeking a loan/grant combination for the remainder of the capital needed. In addition, BIT will further invest in upgrading its financial, billing, collection and other operating support systems as well as hiring and training the workforce necessary to sustain this business plan. This project will create approximately 64 new jobs with benefits, including group health insurance, with average annual salaries and benefits of over \$40,000.

The Cooperative contemplates having three regional customer service centers, providing service under the brand name of "BIT Communications." Additionally BIT will rely on agents and resellers for further distribution and personalized customer service. This highly-reliable wireless service will primarily be offered in areas where Digital Subscriber Line (DSL) and cable modem Internet access services are unavailable. These types of landline-based services are highly distance-sensitive and are currently not offered outside more densely populated areas. One advantage of BIT's WIMAX solution is the ability of this wireless service to reach beyond the limits of the current landline-based networks to subscribers who currently have no access to broadband services.

BIT expects to serve 32,000 subscribers with the proposed wireless system. This estimation is based on a 36% market penetration rate throughout the fifteen county serving area. BIT's made this projection based on past experience providing broadband services in a rural market and a Rural Broadband report conducted by the Rural Policy Research Institute that estimated 38.3 percent of rural households subscribe to broadband services.

The Buggs Island Telephone Cooperative (BIT) was founded as a local telephone cooperative in 1951 and is a non-profit cooperative with nine member-elected directors and a current staff of 23. BIT provides local, long distance, broadband and other communications services to 4,100

subscribers in the south central region of Virginia. BIT has built and extended broadband services to 100% of its serving area and provided high speed broadband services since 2004. General Manager Mickey L. Sims has extensive experience in the independent telephone and wireless businesses. BIT will be the operating entity, and subscribers will be Class B subscribers not subject to capital credits. BIT is building a complimentary network with its own funds in Mecklenburg and Brunswick Counties where the Buggs Island Telephone Cooperative operates as an incumbent local exchange carrier and is governed by the National Exchange Carriers Association (NECA) interstate access tariffs.

The Board and Staff of the Buggs Island Telephone Cooperative submits this request for funding to provide a viable, timely last mile solution to citizens and businesses of the Commonwealth of Virginia.