

Issue Analysis Form (rev. July 2013)



Date: May 23, 2017
Item: Broadband
Lead Department(s): County Administration
Contact Person(s): Jeffrey Stoke, Deputy County Administrator

Description and Current Status

Prince George Electric Cooperative (PGEC) has established a Fiber-To-The-Home (FTTH) pilot project on West Quaker Road and Prince George Drive to test the business model for providing residential/commercial broadband service. The next step would be extending the service in phases throughout the County. The fiber subsidiary created by PGEC, PGEC Enterprises, is undercapitalized in order to build FTTH connections in the rural community due to the distances between homes/businesses. PGEC Enterprises is requesting a grant from the IDA of \$1,000,000 to help cover the overhead costs for this project.

Government Path

Does this require IDA action?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	June 2017
Does this require BZA action?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	
Does this require Planning Commission action?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	
Does this require Board of Supervisors action?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	May 23, 2017
Does this require a public hearing?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	

If so, before what date?

The Prince George County Board of Supervisors would allocate \$1,000,000 from taxable bond proceeds to the Prince George County Industrial Development Authority. The IDA would establish a Broadband Expansion Grant in the amount of \$1,000,000 and enter into a contract with the impacted parties.

Fiscal Impact Statement

The County would be allocating \$1,000,000 in taxable bond proceeds to the IDA. Through a contract, PGEC Enterprises would utilize the \$1m to establish a minimum of 500 FTTH connections in Prince George County. There would be a clawback provision of \$2,000/connection under 500 in the contract if certain thresholds are not met.





County Impact

For the first time, broadband service (25 Mbps) would be available to at least 500 residents where no reliable or affordable broadband service currently exists. The County and IDA would not be responsible for daily operation and maintenance of the broadband system. The County and IDA would not be responsible for any financial business losses of the new system.

Notes

PGEC Enterprises has four (4) years to implement the broadband plan. County facilities would be connected for free during the agreement. Four (4) County facilities along the Phase I broadband route would receive the monthly service residential rate during the agreement. Any sale of the company would require the purchaser to fulfill the terms of the agreement.

Potential PGEC Fiber Optic Lines and Broadband Customers

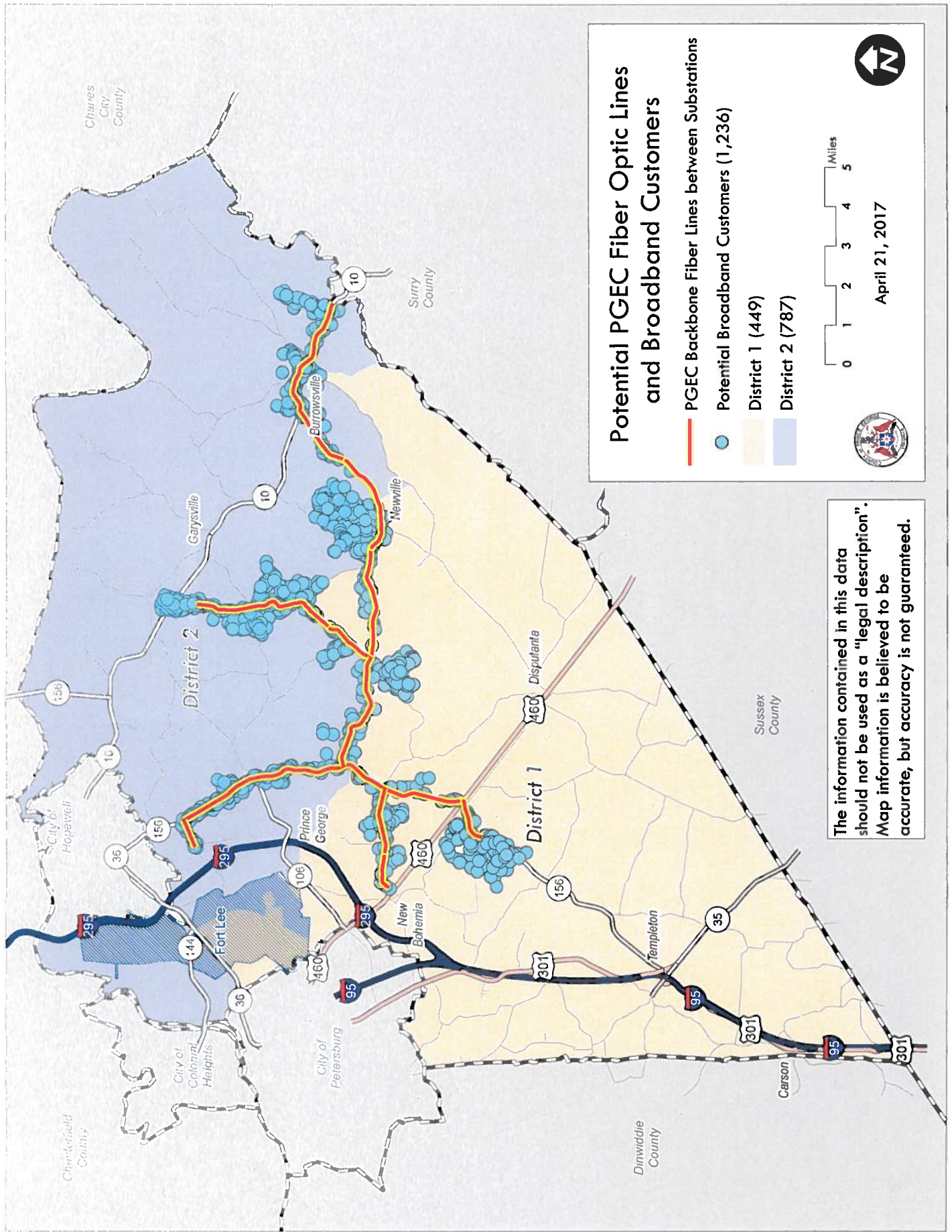
-  PGEC Backbone Fiber Lines between Substations
-  Potential Broadband Customers (1,236)
-  District 1 (449)
-  District 2 (787)



April 21, 2017



The information contained in this data should not be used as a "legal description". Map information is believed to be accurate, but accuracy is not guaranteed.



Chatham City County

Surry County

Sussex County

Charlottesville

Dinwiddie County

City of Hopewell

City of Colonial Heights

City of Petersburg

Carson

Board of Supervisors
County of Prince George, Virginia

Resolution

At the regular meeting of the Board of Supervisors of the County of Prince George held in the Boardroom, Third Floor, County Administration Building, 6602 Courts Drive, Prince George, Virginia, this 23rd day of May, 2017:

Present:

William A. Robertson, Jr., Chairman
Donald Hunter, Vice-Chair
Alan R. Carmichael
Jerry J. Skalsky
T. J. Webb

Vote:

A-1

On motion of Mr. _____, seconded by Mr. _____, which carried a vote the following Resolution was adopted:

RESOLUTION; AUTHORITY TO EXECUTE A BROADBAND PERFORMANCE AGREEMENT BETWEEN PGECE, PRINCE GEORGE COUNTY IDA AND THE COUNTY OF PRINCE GEORGE

NOW, THEREFORE, BE IT RESOLVED That the Board of Supervisors of the County of Prince George this 23rd day of May, 2017, does hereby authorize the County Administrator to execute a broadband performance agreement between PGECE, Prince George County IDA and the County of Prince George for expansion of fiber broadband in the County.

A Copy Teste:

Percy C. Ashcraft
County Administrator