



▪ *In-Person Meeting* ▪

**AGENDA**  
**SOUTHWEST VIRGINIA COMMITTEE**  
**Southwest Virginia Higher Education Center, Grand Hall**  
**1 Partnership Circle, Abingdon, Virginia 24212**  
**Thursday, May 18, 2023**  
**10:45 A.M.**

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In accordance with §2.2-3708.3 of the Code of Virginia, public access for this meeting is being provided both in person and through electronic communications means. The public may remotely participate in this meeting by utilizing the following meeting link:

<https://virginiatobaccocommission.my.webex.com/virginiatobaccocommission.my/j.php?MTID=m3a2aa37e12f81fe416e45820a6b6fcc>

If participating by phone, please dial:  
1-408-418-9388 (toll) and enter meeting number: **2634 101 1310** and password: **78883269**

If during the meeting electronic transmission fails, the public may alert the Commission by calling 804-894-9652 or emailing [jbutler@revitalizeva.org](mailto:jbutler@revitalizeva.org). If alerted to a transmission failure, the Committee shall recess until public access is restored.

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| <b>Welcome and Call to Order</b>             | <i>Hon. Will Morefield, Chair</i>                      |
| <b>Call of the Roll</b>                      | <i>Hon. James E. Campos, Acting Executive Director</i> |
| <b>Approval of the <u>1/4/23</u> Minutes</b> | <i>(published on website)</i>                          |
| <b>Public Comment</b>                        |  |
| <b>Tabled Projects</b>                       | <i>Ms. Sara Williams, Southwest Regional Director</i>  |
| <b>Extensions &amp; Modifications</b>        | <i>Ms. Sara Williams, Southwest Regional Director</i>  |
| <b>Other Business</b>                        | <i>Mr. Andy Sorrell, Deputy Director</i>               |
| <b>Public Comment</b>                        |  |
| <b>Adjournment</b>                           |  |

**FY23 Southwest Virginia Program  
Staff Summaries and Recommendations  
May 2023**

Two projects were tabled at the January 2023 meeting. Project updates and revised funding recommendations have been provided for both. The Southwest Virginia Committee will act on these applications at its meeting scheduled for May 18, 2023 at 10:15 A.M.

**Tabled projects**

**Blue Ridge Public Television, Inc.  
*PBS Appalachia Virginia (#4110)*  
\$130,000.00 Requested (additional)**

***Project Summary:*** In January 2023, the Commission approved a \$400,000 award to support the establishment of PBS Appalachia Virginia, a fully digital station serving the 14 counties and three cities of the SWVA TRRC service area. The station, announced in July, 2022 will be fully region based and will highlight positive stories from the footprint. This content will support other regional branding initiatives to market tourism and business development efforts. Commission funds will be used for a variety of operating expenses over a two year start up period. All approved expenses will be reimbursed at a 50% rate. The January approval included support for two staff positions, Producer/ Videographer and Corporate Support Territory Manager. Both positions have already been filled. The station plans to launch next month (June 10, 2023).

***Matching Funds:*** Matching funds will be provided primarily from current and future state appropriation funding. The project was allocated \$500,000 in FY2022/23 through VA DOE appropriation. These funds have assisted with initial staffing needs and other expenses. The applicant anticipated additional appropriations in the future (\$1.25M). The applicant will also seek support from the Appalachian Regional Commission during that program's next round.

***Project Outputs:*** The project will result in the establishment of PBS Appalachia Virginia and the creation of 5 new jobs.

***Staff Comments:*** The application submitted in October 2022 requested \$530,000 to support start up operating expenses for the newly established PBS Appalachia station. After careful review of the application and budget, Staff determined that only \$400,000 of the request was suitable for Commission support and could be recommended for funding. The General Manager salary (\$130,000) was determined to be unsuitable for TRRC support because the position had already been filled for several months using funding provided from a Virginia DOE state appropriation. The Commission's General Non-Eligible Uses of Funds state that Commission funds should not be used to supplant other state or federal funds for which an applicant is eligible. For this reason Staff could not recommend that TRRC assume responsibility for the General Manager salary.

Moments prior to the January 2023 SWVA Program Committee meeting the applicant sent an email which attempted to reallocate the portion of the budget not recommended for funding to two new staff positions (Senior Producer and Digital Marketing). Staff was not provided a sufficient opportunity to review and consider the new use of funds and the \$130,000 in question was tabled by the Commission.

In a recent update from the applicant the use of the funds has changed again. The update proposes to use the additional \$130,000 to fund three positions (Senior Producer, Corporate Support, and Social Media/ Digital Marketing Input). Given the evolving staffing needs of this project it is difficult to understand how these positions fit within a broader plan to establish and staff the station during the startup period although two of the three (Corporate Support and Social Media/ Digital Marketing Input) are stated to be focused on achieving sufficient revenues to sustain the project.

If funded, these positions should be reimbursed using the same method required of the original \$400,000 award. Reimbursing all expenses at a 50% rate ensures that the grantee must immediately be responsible for half of the cost of each position. This appears to be an achievable goal for the organization through the utilization of the DOE appropriation and through the fundraising activities of the Corporate Support team.

***Financial Viability Assessment:*** To be updated. Awaiting information from applicant.

***Staff Recommendation:*** To be updated. Awaiting information from applicant.

**Mendota Community Association**  
***Revitalization of Former Mendota (#4117)***  
**\$38,485.00 Requested**

***Project Summary:*** This application was tabled in January 2023. Commission support is requested to assist with planning needs focused on the redevelopment of the former Mendota School Building and Grounds. The county owned building currently serves a variety of purposes in the community of Mendota including housing a local branch of the Washington County Public Library. The facility also contains a cafeteria, theater room and other spaces that could be used for a variety of purposes. Commission support has been requested for additional planning work to determine the best future uses for the building and to develop a prioritized strategy to addressing the structural and aesthetic improvements that will be required for the redevelopment.

***Matching Funds:*** The Washington County BOS recently committed \$38,450 for HVAC upgrades to the facility. No matching funds are presented to assist with the costs of the additional planning activities.

***Project Outputs:*** During review of this proposal, Staff struggled to identify the primary output of this project.

**Staff Comments:** The redevelopment of the former Mendota School Building and Grounds has been a priority for Mendota for several years. The community would like to capitalize on the facility's advantageous location along North Fork of the Holston River and the terminus of the Mendota Trail to serve the developing outdoor recreation opportunities in the area. A Preliminary Architectural Feasibility Report was completed in 2019 using funding provided by Virginia Department of Housing and Community Development (DHCD). This document outlined a number of potential uses for the building and provides general cost estimates for building upgrades. At that time, the estimated cost of renovation was nearly \$2.3M however the report notes that these improvements could be accomplished in phases.

During initial review of this application prior to the January 2023 meeting, Staff struggled to identify how the proposed activities differed from the scope of the 2019 report. The application did not provide a scope of work, or related cost estimate, from an engineering form to justify the \$38,485 request amount. An additional concern was that the matching funds presented in the application are unrelated to the planning efforts. This program limits support for such capacity building projects to up to 50% of third-party professional services. For this reason, the HVAC improvements are not an eligible match for the application.

This application was tabled to allow time for additional project development. Since January, Staff has reached out to Washington County and others to determine the best path forward for the project. At this time it appears that the project will qualify for Virginia DEQ planning assistance to complete an environmental study for the property. The DEQ application requires a 1:1 match which can be met using the funds allocated by the Washington County Board of Supervisors for HVAC upgrades. The PAR includes the need for asbestos, lead based paint and indoor air quality investigations which can be addressed through the environmental study. Given the age and known conditions of the building, the study is critical for determining how best to proceed with renovations.

If approved, the DEQ funding appears to be adequate to address a realistic planning need for the project. Commission funds are not required at this time but may be requested to address future phases of the rehabilitation process. TRRC Staff will continue to engage with the applicant as well as Washington County Staff to determine when a new application to this Program is appropriate.

**Financial Viability Assessment:** Project needs further refinement before a full viability assessment can be performed.

**Staff Recommendation:** Staff recommends no award.

## OTHER BUSINESS

**Carroll, Grayson, Galax Regional Industrial Facility  
*The Wired Road Connector Project (#3377)*  
Approved for \$300,000 in March 2018 (\$300,000 balance)  
Request for extension**

***Staff Overview & Comments:*** This grant was approved for the construction of a wireless internet System in Carroll and Grayson Counties. This system will connect to other projects underway in both counties. These projects have encountered multiple delays related to broadband industry material supply chain issues and labor shortages. The grantee has assured Staff that the project will be completed during the extension period.

Staff recommends a final extension until May 31, 2024.

**Grayson County  
*Connect Grayson (#3530)*  
Approved for \$325,000 in June 2019 (\$325,000 balance)  
Request for fifth year extension and change in scope**

***Staff Overview & Comments:*** This project was approved in 2019 with a goal to serve over 5,000 premises across Grayson County with wireless services provided through Gigabeam Networks. The project was developed in conjunction with Appalachian Power's plans to deploy 240 miles of "middle mile" fiber in Grayson. At time of approval the terms of the partnership with ApCo were still under development and the TRRC award was conditioned upon the Executive Director's approval of a revised budget and outcomes. These items do not appear to have been submitted.

A recent project update states that Appalachian Power has completed approximately 97% of the middle mile installation in the western end of the County. Gigabeam has completed approximately 30% of its work in other parts of Grayson, however the installation of hardware in western Grayson has not begun. The update notes several factors including terrain and weather which have prevented this work from occurring. To better address these challenges, the grantee has requested permission to add a second last mile vendor to deploy 5G wireless broadband services which appears to be more suitable to effectively serve this portion of the County. The updated budget provided with the request is based upon information provided by a national 5G Wireless vendor who has submitted an unsolicited proposal to the County. The PPEA procurement has been utilized to allow other interested vendors to submit a proposal.

Although Gigabeam was listed as a project vendor when the project was approved in 2019, the grant was issued a standard Letter of Agreement which only required execution by Grayson County and the Commission. Other broadband grants approved at the time with known private co-applicants were issued a three party agreement requiring execution by both the applicant and the vendor. For this

reason it appears that the County has flexibility to select a second vendor for implementation of the 5G wireless system. The program guidelines under which this grant was approved required minimum broadband capability of at least 10 Mbps download and 1 Mbps upload speeds. The project update states that the services will meet the FCC definition of broadband speeds (25 Mbps download and 3 Mbps upload).

The grantee has also requested permission to transfer any assets purchases with TRRC funds to the private vendor. Because this vendor, and the list of grant purchases assets, is unknown it would be premature for this permission to be given at this time. Commission policy allows for the transfer of assets with the Executive Director's approval. This approval should be requested at the end of the project once all project deliverables and outcomes have been achieved. It would not be in the Commission's best interest to deviate from its standard asset management policy. An 18 month extension was also requested however Commission policy allows for only 12 months. With this in mind, it is likely that an additional extension will be required next year to allow for completion of the project.

**Staff recommends the approval of the revised project scope to include the addition of a second last mile vendor. The grant's end date will be extended to May 31, 2024.**